

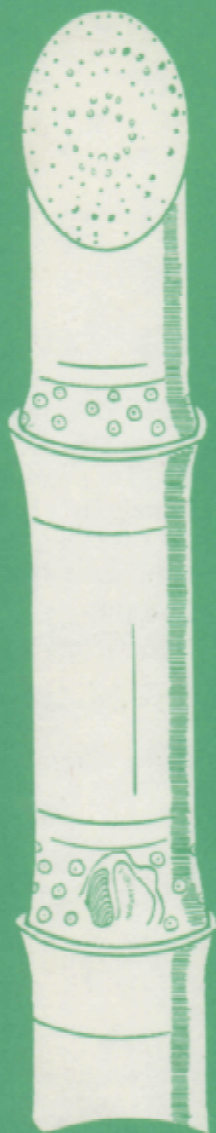
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MARKETING PRACTICES AND PRICE SPREADS FOR SUGAR 1960 - 72



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MARKETING PRACTICES AND PRICE SPREADS FOR SUGAR, 1960-72. By L. C. Larkin,
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ABSTRACT

During 1960-72, the retail price of refined sugar increased 22 percent, while the farmer's share of the consumer's dollar increased from 36 to 42 percent. Returns to sugarbeet and sugarcane growers in all domestic production areas increased. This increase ranged from 1.37 cents per pound in Florida to 1.74 cents per pound in the Central sugarbeet region. The refiner's share of the marketing spread increased in all areas. The distribution and retailers' share of the marketing spread decreased, in some instances as much as 2 cents per pound. This report is based on information on the farm-to-retail spread for sugar in 25 major U.S. cities between 1960-72.

Keywords: Marketing margins, Sugar, Sugarcane, Sugarbeets, Farm values, Wholesale prices, Retail.

PREFACE

This report updates MRR 311, Marketing Margins for Sugar, March 1959, and AMS 424, Farm and Retail Prices for Beet Sugar, November 1960, and is concerned with farm-to-retail marketing spreads for refined sugar. Complete information is not readily available to estimate marketing spreads for sugars used by commercial food processors, even though these sugars have become increasingly important in recent years.

The U.S. average farm-to-retail spread for all sugars and the farmer's share of the consumer dollar spent for sugar are included in the Marketing and Transportation Situation, published quarterly by the U.S. Department of Agriculture. This report supplements with data concerned with marketing spreads for domestic cane sugar and beet sugar production areas, wholesale refined sugar marketing sale territories, and selected cities.

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HIGHLIGHTS

The farm value of sugarbeets and sugarcane to producers increased in all domestic sugar-producing areas between 1960 and 1972. In the cane-producing areas, the increase ranged from 0.9 cent per pound in Hawaii to 1.37 cents per pound in Florida. Increases in sugarbeet-producing areas varied from 1.34 cents per pound in the Far West region to 1.82 cents per pound in the Central region.

The farm-to-wholesale price spread for beet sugar increased in all sales territories during 1960-72. The largest increase of 1.62 cents per pound was for Eastern-origin sugar sold in Buffalo and Pittsburgh, while the smallest increase, 0.89 cent per pound, was for sugar sold in Milwaukee and produced from sugarbeets grown in the Far West.

Retail prices for refined sugar increased the most in Washington, D.C., (3.42 cents per pound) and the least in Pittsburgh (1.26 cents per pound) during 1960-72. Other large price increases were at Chicago, Minneapolis-St. Paul, and Houston.

During 1960-72, the distributor's and retailer's share of the marketing spread declined in most of the cities for which information is available. The largest decrease occurred at Pittsburgh, while the smallest was at New York.

The average U.S. farm-to-retail spread for a pound of refined sugar increased 0.6 cent between 1970 and 1972. During this time, the producer's share of the consumer's dollar increased from 36 to 42 percent. The farm-to-retail marketing spread increased most in the Northeastern region (2.06 cents per pound) and least in Pittsburgh.

Although the retail price of refined sugar increased 22 percent during 1960-72, this rise was smaller than the increases of most other food items purchased by consumers. Only white flour and eggs showed smaller gains. Raw cane sugar prices are quoted for New York and New Orleans even though raw sugar is received in all ports where cane sugar refineries are located. In 1972, the duty-paid cane sugar price of 9.09 cents per pound in New York was 44 percent above the price in 1960.

Per capita consumption of the major sweeteners used in the United States increased 13.1 percent between 1960 and 1972. Refined sugar consumption accounted for over one-third of this increase, and corn syrup consumption accounted for over one-half. In 1972, refined sugar accounted for 82 percent of our total sweetener consumption.

The returns received by cane and beet growers are regulated through various contractual relationships between growers and sugar mills which are subject to regulation under the Sugar Act. These contracts vary considerably among the

production areas. Florida sugarcane growers receive payments which are related to the New York season's average raw sugar price. Louisiana sugarcane growers are paid by a formula similar to that in Florida except for differences in the pricing period and the base price for standard sugarcane. The basis of payments to Puerto Rican sugarcane growers is the average of monthly New York duty-paid raw sugar prices during specified settlement periods, less selling and delivery expenses. Hawaiian sugarcane produced by independent growers is processed under a toll arrangement. These contracts specify rates for transporting, handling, and processing from delivery point to departure of raw sugar from the processor's facilities. The grower receives payments for the raw sugar and molasses produced from his sugarcane based upon the market price minus the toll charge.

A unique feature of sugarbeet contracts is that they are based on prices received by individual sugarbeet processors rather than market price quotations. The price provisions of beet contracts have two general forms: that used in the Eastern region and the type used elsewhere. The Eastern contract is referred to as a 50-50 sharing--half of the proceeds of the sale of products is paid to growers for their beets. The type used elsewhere, sometimes referred to as the Western contract, uses a price scale. The price to be paid varies according to the sucrose content of the grower's sugarbeets and the processor's total returns less specified marketing and transportation costs.

MARKETING PRACTICES AND PRICE SPREADS FOR SUGAR 1960 - 72

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INTRODUCTION

U.S. sugarcane and sugarbeet growers are concerned with both sugar marketing practices and prices received from processors. They are interested in their share of consumer expenditures for sugar which shift from year to year with changes in supplies and market prices. The share of the consumer dollar received by growers and regional differences in prices affect the economic position of growers in various production areas.

Consumers are interested in marketing spreads received by farmers, processors, and sugar dealers because of the information these reveal about the retail cost of sugar. Such information is useful in indicating areas where reductions in cost might be feasible. Increases in the efficiency of sugar marketing can benefit both farmers and consumers.

SUGAR INDUSTRY BACKGROUND

Sugarcane Production Centered in Four Areas

During 1971, there were 6,361 farms in Puerto Rico, Hawaii, and mainland United States growing sugarcane. Approximately 66 percent of these farms were located in Puerto Rico, 24 percent in Louisiana, 8 percent in Hawaii, and 2 percent in Florida. In addition, sugarcane has been planted on about 130 farms in Texas in 1973 to supply a new sugarcane processing mill being built in the Rio Grande Valley of Texas. During 1971, 27.7 million tons of sugarcane were produced in Louisiana, Florida, Hawaii, and Puerto Rico. Hawaii produced 39 percent; Louisiana, 23 percent; Florida, 22 percent; and Puerto Rico, 16 percent.

Sugarcane is a perennial plant, and a single planting yields several successive crops before the roots are plowed out and the field replanted. Sugarcane commonly occupies the same field continuously and is not grown in rotation with other crops. As a result, growers tend to specialize in sugarcane production.

Much U.S. sugarcane is grown by firms which also operate sugar mills, but most mills also purchase additional cane from independent growers. The degree of integration in the production process varies considerably among the four domestic cane sugar areas--Louisiana, Florida, Puerto Rico, and Hawaii.

In Louisiana, nearly all of the sugar companies operating processing plants grow all or part of the sugarcane processed in their mills. Industry estimates indicate that approximately half of the sugarcane grown in Louisiana is "administration cane"--that is, sugarcane grown by the mill owners. These owners include members of cooperatives and the principal owners of milling companies who individually grow sugarcane. Most small sugarcane growers sell their cane to mills in which they have no financial interest.

In addition to the customary raw sugar produced by the Louisiana sugar industry, varying quantities of direct-consumption sugars (turbinados and granulated) have been produced from year to year. In 1971, 32,000 tons of these sugars were produced, compared with 68,000 tons in 1960.

Historically, most of the sugarcane in Puerto Rico has been grown by a large number of independent growers, most of whom had only small acreages. In addition, a few large farms were usually operated in connection with sugar mills. In contrast to sugar production in other domestic areas, sugar production in Puerto Rico had declined greatly since reaching a peak of 1.4 million tons in 1952. This decline is reflected in the change in raw sugar deliveries to mainland ports during 1960-72. In 1960, receipts at mainland ports amounted to 741,000 tons, compared with 88,000 tons in 1972.

As the Puerto Rican sugar industry has declined over the years, the Government has found it necessary to buy or lease raw sugar mills to prevent them from closing. During the 1971-72 crop year, 12 of the 15 operating sugar mills were owned or managed by the Commonwealth Government. The Puerto Rican Government has, to some extent, been in the sugar business since 1941 when the Puerto Rican Land Authority was established. Through both purchase and expropriation, this organization over the years has become the owner of certain large sugarcane farms, totaling approximately 10 percent of all cane land in 1966. In addition, the Puerto Rican Land Administration was established in 1962 to acquire agricultural land, including sugarcane acreage, to prevent land speculation.

Recently, however, the legislature consolidated the Government's efforts to handle farming and processing of sugarcane through the newly created Sugar Corporation, operating as a subsidiary of the Land Authority. The new agency is to take care of all aspects of the Government-owned or Government-managed sugar factories and their farming activities. This action was taken at the request of private industry, in the hope that the Government may rehabilitate the enterprise and, some time in the future, turn it back to the original operators. Some doubt has been voiced on whether this can be accomplished, especially with the objective of profitably producing 500,000 tons of sugar during the coming years.

The sugar industry in Hawaii is more highly integrated than in other domestic areas. Approximately 93 percent of the cane produced in Hawaii is administrative cane. All raw sugar produced in Hawaii is delivered to a cooperative whose members are the sugarcane processing companies.

Although complete information is not readily available, it appears that about 53 percent of the sugarcane grown in Florida is controlled by companies operating sugarcane processing plants. The degree of integration in Florida is probably more than in Louisiana but less than in Hawaii.

Most Cane Sugar Refineries on Mainland

There were 18 companies operating 25 cane sugar refineries in the continental United States in 1971 (fig. 1).^{1/} In addition to the continental plants, seven cane sugar plants in Puerto Rico produced refined sugar for consumption on the Island and to fill Puerto Rico's relatively small refined-sugar quota for the continental United States. Five of these plants are refineries, and two produce a high-grade, direct-consumption sugar (such as turbinados) from concentrated cane juice. A small plant in Hawaii refines sugar to fill the consumption requirements of the State.

Most continental cane sugar refineries are located at harbor sites in major port cities on the eastern seaboard (Boston, New York, Philadelphia, Baltimore, and Savannah); at New Orleans and Galveston on the Gulf of Mexico; and at San Francisco on the Pacific Coast. In addition, small refineries in Florida refine some of the raw sugar produced in the State. Liquid sugar plants in St. Louis, Mo., and Chicago, Ill., also refine raw sugars shipped by barge from New Orleans.

Sugarbeet Production Differs

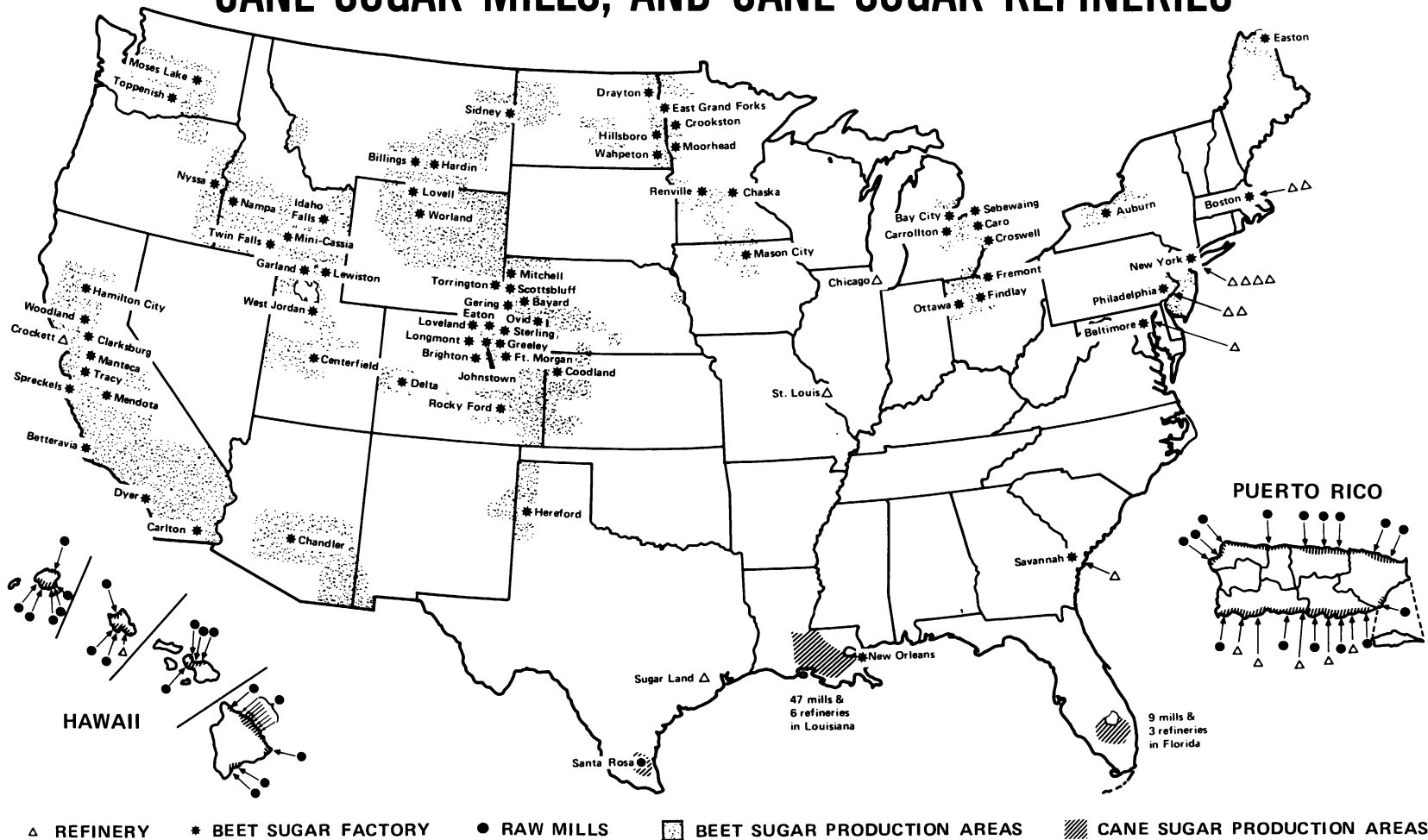
There are several differences between producing and processing sugarcane and sugarbeets. Because sugarbeets are grown in rotation with other crops, sugarbeet farmers are less specialized than sugarcane producers. Companies processing sugarbeets own little farmland and grow few sugarbeets for themselves. Sugarbeet processors do conduct some research at company-maintained experiment stations and produce sugarbeet seed which they sell to farmers who grow sugarbeets for their processing plants. However, integration of growing and processing by a single owner, which is important in the cane sugar industry, is, at present, missing in the sugarbeet industry.

As a move toward this integration, growers in areas served by two of the larger processors negotiated with these companies in 1973 to purchase their facilities and operate them as cooperatives. The facilities of one processor were purchased and a cooperative formed. However, the other processor terminated an agreement to sell the facilities to the growers. Most of the facilities purchased are located in the Red River Valley of Minnesota and North Dakota. In addition, two new sugarbeet processing facilities are being constructed in the Red River Valley and are expected to be completed in time to process the 1974 crop of sugarbeets. One plant, to be located near Hillsboro, N. Dak., will be owned by the Red River Valley Cooperative, Inc., while the other plant, to be located near Wahpeton, N. Dak., will be owned by the Minnesota-Dakota Farmers' Cooperative. Both cooperatives are farmer owned and controlled.

Sugarbeets were grown on 14,965 farms in 1971. About one-half of the farmers were located in the Central beet-growing area, nearly one-third in the Far West area, and the remainder in the Eastern producing area (fig. 2). Idaho reported the most farms growing sugarbeets and was followed by Michigan and Colorado. Farms in California averaged the largest number of acres per farm planted in sugarbeets.

^{1/} Sugar Reports No. 245, October 1972, p. 19. ASCS, USDA, Washington, D.C.

LOCALITIES OF SUGAR CROP PRODUCTION, BEET SUGAR FACTORIES, CANE SUGAR MILLS, AND CANE SUGAR REFINERIES



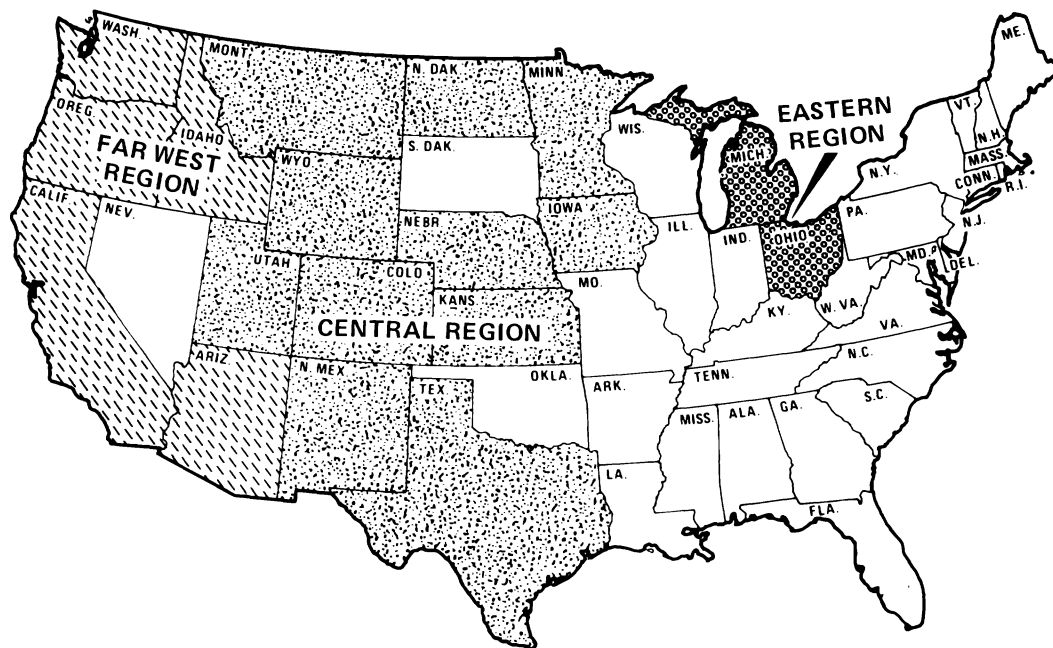
SOURCE: AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, USDA.

USDA

NEG. ERS 1030 - 75 (3)

Figure 1

SUGARBEET PRODUCTION REGIONS



USDA

NEG. ERS 1028 - 75 (3)

Figure 2

During 1971, 27 million tons of sugarbeets were produced in the United States. The Far West region produced 14 million tons (52 percent); the Central region, 11 million tons (40 percent); and the Eastern region, 2 million tons (8 percent) (table 1). California, Idaho, and Colorado produced 14 million tons of sugarbeets (51 percent of total U.S. production). California had the largest sugarbeet production of any State, accounting for 30 percent of U.S. production.

In 1971, sugarbeets were processed in 59 plants which were owned by 12 companies in 24 States. About 20 percent of the rated slicing capacity of sugarbeet processors was located in California, 13 percent in Colorado, 11 percent in Idaho, and 10 percent in Minnesota.

Raw Sugar Imports Up

During 1972, 6.6 million tons of raw sugar were imported into the United States from domestic offshore and foreign producing areas (table 2). The port of New Orleans received 27 percent of this volume, followed by New York with 20 percent. Total raw sugar deliveries to the United States increased 8 percent between 1960 and 1972.

Foreign shipments of raw sugar to the United States were 19 percent greater in 1972 than in 1960. In 1972, the Philippines was the largest foreign supplier,

Table 1--Sugarbeet farms and production, by region and State, 1971

State and region	Farms	Sugarbeet production
	<u>Number</u>	<u>1,000 tons</u>
Far West:		
Arizona.....	54	215
California.....	1,423	8,003
Idaho.....	2,228	3,196
Oregon.....	266	463
Washington.....	866	1,975
Total.....	4,837	13,852
Central:		
Colorado.....	1,785	2,501
Iowa.....	19	23
Kansas.....	220	697
Minnesota.....	990	1,774
Montana.....	649	916
Nebraska.....	1,135	1,425
New Mexico.....	9	13
North Dakota.....	761	1,204
Texas.....	226	454
Utah.....	670	463
Wyoming.....	658	1,234
Total.....	7,122	10,704
Eastern:		
Michigan.....	2,050	1,415
Ohio.....	956	895
Total.....	3,006	2,310
Total.....	14,965	26,867

Table 2--Quota receipts by ports and area of origin, raw sugar, selected years, raw value

Year and area of origin	Boston 1/	New York	Phila- delphia	Balti- more	Savannah	New Orleans 2/	Gal- veston	San Francisco	Total
	1,000 short tons								
1960:									
Domestic:									
Hawaii.....	--	--	--	--	--	--	103	736	839
Puerto Rico.....	--	80	273	117	--	261	10	--	741
Virgin Islands.....	--	--	7	--	--	--	--	--	7
Total.....	--	80	280	117	--	261	113	736	1,587
Foreign:									
Philippines.....	4	685	205	77	23	118	--	--	1,112
Cuba.....	302	352	170	168	220	774	96	--	2,082
Dominican Republic.....	80	102	84	96	13	53	12	--	440
Mexico.....	22	48	90	31	12	169	12	--	384
Peru.....	34	112	30	30	24	11	23	--	264
Other.....	33	86	57	17	5	71	5	--	274
Total.....	475	1,465	916	536	297	1,457	261	736	6,143
1965:									
Domestic:									
Hawaii.....	--	11	--	49	--	12	198	863	1,133
Puerto Rico.....	--	140	60	94	12	386	--	--	692
Virgin Islands.....	--	--	4	--	--	--	--	--	4
Total.....	--	151	64	143	12	398	198	863	1,829
Foreign:									
Brazil.....	--	121	73	41	--	23	11	--	269
Dominican Republic.....	240	44	41	81	12	39	12	--	469
Mexico.....	205	72	23	58	--	116	--	--	474
Peru.....	11	72	97	35	40	38	--	--	293
Philippines.....	--	361	346	68	13	322	34	--	1,144
Other.....	46	371	277	137	58	319	--	--	1,126
Total.....	502	1,120	921	563	135	1,255	255	863	5,614
1970:									
Domestic:									
Hawaii.....	--	66	14	7	--	154	229	667	1,137
Puerto Rico.....	--	--	15	124	--	65	26	--	230
Total.....	--	66	29	131	--	219	255	667	1,367
Foreign:									
Brazil.....	25	134	123	43	11	301	--	--	637
Dominican Republic.....	210	113	142	96	4	90	23	--	678
Mexico.....	10	49	40	36	--	453	63	--	651
Peru.....	12	85	92	79	11	177	--	--	456
Philippines.....	36	560	336	177	11	151	--	17	1,288
Other.....	196	312	256	152	23	459	47	3	1,446
Total.....	489	1,319	1,018	714	60	1,850	388	687	6,525
1971:									
Domestic:									
Hawaii.....	--	--	--	--	--	152	207	725	1,084
Puerto Rico.....	--	--	20	39	--	--	--	--	59
Total.....	--	--	20	39	--	152	207	725	1,143
Foreign:									
Brazil.....	10	131	113	53	13	220	65	--	605
Dominican Republic.....	189	69	83	137	--	147	19	12	656
Mexico.....	22	61	15	34	--	378	108	--	618
Peru.....	16	45	200	72	38	111	--	--	482
Philippines.....	58	614	440	172	--	278	19	--	1,581
Other.....	233	321	127	137	--	590	--	--	1,408
Total.....	538	1,241	998	644	51	1,876	418	737	6,493
1972:									
Domestic:									
Hawaii.....	--	14	27	41	--	75	232	720	1,109
Puerto Rico.....	--	--	--	80	--	8	--	--	88
Total.....	--	14	27	121	--	83	232	720	1,197
Foreign:									
Brazil.....	12	83	215	17	--	286	22	--	635
Dominican Republic.....	230	80	52	173	17	154	31	--	737
Mexico.....	--	46	16	17	--	485	87	--	651
Peru.....	42	90	246	13	17	39	--	--	449
Philippines.....	14	618	282	162	--	200	--	143	1,419
Other.....	198	384	174	117	43	552	36	27	1,531
Total.....	496	1,315	1,012	620	77	1,799	408	890	6,617

-- = Not applicable.

1/ Includes shipments entered at Searsport, Maine.

2/ Includes sugar to inland points.

Source: Sugar Reports, Agr. Soil Conserv. Serv., U.S. Dept. of Agr., various issues; and Sugar Statistics and Related Data, Statis. Bul. 293, 1969, revised, ASCS, USDA.

followed by the Dominican Republic and Mexico. Nearly half of the foreign sugar received at New York was from the Philippines, while Mexico supplied slightly more than 28 percent of the foreign raw sugar received at New Orleans.

Offshore domestic raw sugar imports decreased 25 percent between 1960 and 1972, even though total shipments of raw sugar in 1972 were about a third more than in 1960. Shipments of raw sugar from Puerto Rico to the United States in 1972 were only 12 percent of 1970 raw sugar shipments. In 1972, Hawaii furnished the United States with 93 percent of its domestic offshore raw sugar, with deliveries made (in order of importance) at San Francisco (65 percent), Houston, and New Orleans. Puerto Rico furnished the remainder of our domestic sugar, with the bulk of raw sugar going to Baltimore (91 percent). The remainder went to New Orleans.

Industry Statistics Change

Major changes in the sugar industry over the past 12 years are indicated by data available from various sources, including the Bureau of the Census, Department of Commerce. The number of production workers employed by the cane sugar refining industry decreased 33 percent between 1958 and 1971, while increasing 14 percent in the sugarbeet processing industry (table 3). During this period, refinery output of cane sugar increased only 27 percent, while beet sugar production increased 65 percent.

New capital expenditures in the cane sugar refining industry during 1958-71 ranged from a high of \$26.8 million in 1958 to a low of \$11.4 million in 1962. Value added by the sugarcane refining and sugarbeet processing industries increased 97 percent and 137 percent, respectively, during 1958-71. The number of man-hours required to produce a ton of refined cane sugar decreased from 4.1 man-hours in 1958 to 2.1 man-hours in 1971. Beet sugar processors required one-third fewer man-hours in 1971 (6.4) than in 1958 (9.9) to produce a ton of beet sugar.

Annual hourly earnings of production workers in the cane sugar refining and sugarbeet processing industries increased 73 and 75 percent, respectively, between 1958 and 1971 (table 4). Each dollar of production worker wages in the cane sugar refining industry provided \$2.91 of value added in 1958; by 1971, this had increased to \$4.78. In the sugarbeet processing industry in 1958, each dollar of wages provided \$3.16 of value added, compared with \$4.50 in 1971.

The number of production workers as a percentage of total employment in both the cane sugar industry and the beet sugar industry remained relatively constant between 1958 and 1971 (74 percent for cane sugar and 90 percent for beet sugar in 1971), while the value added per employee almost tripled for the cane sugar industry and more than doubled for the beet sugar industry. Payrolls as a percentage of value added for the sugarcane industry decreased from 45 percent to 30 percent between 1958 and 1971 and from 38 to 29 percent for the beet sugar industry over the same period.

Table 3--Number of sugar refineries and workers, man-hours worked, value added, material costs, product value, and new capital expenditures, 1958-71

Year	Establish- ments ^{1/}	:All employees :		: Production workers :		:Value added: Cost		:Value of:New capital		
		:Number:	:Payroll:	:Number:	: Man- :	: by manu- :	: of :	: ship- :	: expendi-	
					: hours :	: Wages :	: facturer :	:materials:	: ments :	: tures
			Mil.							
	Number	Thous.	Dol.	Thous.	Million	- - - - -	Mil. Dol.	- - - - -	- - - - -	- - - - -
Cane sugar refining:										
1958.....	28	15.2	84.0	11.8	25.3	63.4	184.8	812.6	99.73	26.8
1959.....	28	15.4	88.7	12.1	25.2	67.3	189.2	847.3	1,025.4	19.4
1960.....	25	14.9	91.6	11.5	24.4	69.0	224.5	841.3	1,067.6	23.3
1961.....	27	13.9	89.0	10.6	22.5	66.7	211.4	858.5	1,076.2	14.7
1962.....	26	12.9	89.0	10.0	21.7	66.5	234.0	910.9	1,139.7	11.4
1963.....	26	12.4	90.8	9.5	20.7	66.9	254.4	1,048.1	1,271.2	16.2
1964.....	27	12.1	87.6	9.1	19.2	64.2	204.5	944.3	1,185.1	22.7
1965.....	26	11.2	85.0	8.5	17.9	62.5	268.0	914.1	1,181.6	18.6
1966.....	25	11.1	88.1	8.4	17.8	64.7	262.8	961.0	1,219.9	25.6
1967.....	26	11.5	92.7	8.7	18.7	69.2	308.3	1,081.0	1,375.7	24.1
1968.....	27	11.0	94.0	8.4	18.2	69.7	294.7	1,129.1	1,425.1	22.3
1969.....	27	11.2	98.2	8.4	17.8	71.3	332.9	1,172.2	1,502.1	16.8
1970.....	27	10.6	101.7	7.8	16.7	71.5	381.6	1,200.4	1,589.3	19.1
1971.....	27	10.6	108.6	7.9	17.6	76.2	364.6	1,289.1	1,640.6	20.0
Sugarbeet processing:										
1958.....	65	10.3	49.2	9.0	20.9	41.2	130.4	255.0	392.2	8.0
1959.....	62	10.5	50.0	9.2	20.7	42.2	131.7	264.9	383.5	10.6
1960.....	62	10.2	52.0	9.0	20.6	44.2	151.8	261.2	409.8	13.1
1961.....	61	11.1	55.2	9.7	21.3	46.9	144.4	269.5	417.5	17.0
1962.....	60	10.9	55.3	9.7	20.9	47.1	166.9	296.7	456.4	22.3
1963.....	60	11.3	59.6	10.1	21.4	50.9	200.7	373.5	564.1	38.1
1964.....	61	12.1	67.8	10.7	23.6	58.1	191.5	380.4	545.8	54.9
1965.....	62	12.3	67.6	11.0	22.1	57.3	198.5	353.3	531.3	22.0
1966.....	62	11.8	67.7	10.0	20.2	54.7	220.3	350.8	579.5	17.5
1967.....	59	11.5	68.4	10.1	20.3	56.3	209.7	343.0	560.7	35.7
1968.....	59	12.0	77.0	10.6	21.7	65.3	276.5	394.8	619.5	33.5
1969.....	59	13.0	86.7	11.7	24.0	74.3	235.5	442.1	669.1	35.7
1970.....	58	12.9	86.4	11.6	23.3	73.8	282.9	451.6	726.6	17.3
1971.....	55	11.4	89.1	10.3	22.4	77.1	308.5	512.2	808.7	26.2

^{1/} Data from Sugar Division, Agr. Soil Conserv. Serv., U.S. Dept. of Agr.

Source: Census of Manufacturers, 1958, 1963, and 1967, Bureau of Census Annual survey of Manufacturers, Industry Profile 1970, Bureau of Census.

Table 4--Refined cane and beet sugar selected operating data

Year	Average payroll per employee	Production workers as % of total employment	Annual man-hours of production workers	Annual hourly earnings of production workers
	<u>Dollars</u>	<u>Percent</u>	<u>Thousand</u>	<u>Dollars</u>
	<u>Cane</u> <u>Beet</u>	<u>Cane</u> <u>Beet</u>	<u>Cane</u> <u>Beet</u>	<u>Cane</u> <u>Beet</u>
1958.....	5,519 4,767	78 88	2.144 2.322	2.50 1.97
1959.....	5,760 4,762	78 87	2.083 2.250	2.67 2.03
1960.....	6,148 5,098	77 88	2.122 2.289	2.82 2.14
1961.....	6,403 4,973	76 87	2.123 2.196	2.96 2.20
1962.....	6,899 6,073	77 89	2.170 2.155	3.06 2.25
1963.....	7,297 5,279	76 89	2.179 2.119	3.23 2.37
1964.....	7,240 5,603	75 88	2.110 2.206	3.34 2.46
1965.....	7,589 5,496	76 89	2.106 2.009	3.49 2.59
1966.....	7,940 5,737	76 85	2.119 2.020	3.63 2.70
1967.....	8,077 5,497	75 88	2.149 2.010	3.70 2.77
1968.....	8,545 6,417	76 88	2.167 2,047	3.83 3.00
1969.....	8,768 6,669	75 90	2.119 2.051	4.00 3.09
1970.....	9,594 6,698	73 90	2.141 2.009	4.28 3.16
1971.....	10,245 7,816	74 90	2.228 2.175	4.33 3.44

	Value added per employee	Payroll as % of value added	Value added per man-hour of production workers
	<u>Dollars</u>	<u>Percent</u>	<u>Thousand</u>
	<u>Cane</u> <u>Beet</u>	<u>Cane</u> <u>Beet</u>	<u>Cane</u> <u>Beet</u>
1958.....	12,149 12,630	45 38	7.30 6.24
1959.....	12,286 12,543	47 38	7.51 6.36
1960.....	15,067 14,882	41 34	9.20 7.37
1961.....	15,209 13,009	42 38	9.40 6.78
1962.....	18,139 15,312	38 33	10.78 7.99
1963.....	20,477 17,766	36 30	12.29 9.38
1964.....	16,901 15,826	43 35	10.65 8.11
1965.....	23,928 16,138	32 34	14.97 8.98
1966.....	23,675 18,669	33 31	14.76 10.91
1967.....	26,874 18,218	30 33	16.50 10.33
1968.....	26,791 23,042	32 28	16.19 12.74
1969.....	29,723 18,115	29 37	18.70 9.81
1970.....	36,000 21,930	27 30	22.85 11.81
1971.....	34,396 27,061	30 29	20.71 13.77

Source: Census of Manufacturers 1958, 1963, 1967, Bureau of Census Annual Survey of Manufacturers, various issues and Industry Profile 1970, Bureau of Census.

Store Brands Enter Market

The use of retail grocery store brands in addition to processor brands is a relatively new marketing innovation which appears to be increasing. Both refined white granulated and soft sugars (brown and confectionery) have gradually appeared under retail store brands on supermarket shelves in many parts of the country. The average retail price for store brand granulated white sugar has varied from 1 to 2 cents per pound below that for processor brand sugar. However, complete information on the quantity of retail store brand sugars sold and the merchandising and pricing methods used is not available.

Transportation Costly

Domestic transportation of refined sugar in the United States is costly, involving frequent long-haul operations between processors and consumers. Most of the transportation costs are incurred in shipment from primary distributors (sugarbeet processors and cane sugar refiners) to industrial food processors, wholesale distributors, and chainstore warehouses. Secondary shipments are sometimes necessary for local distribution.

Food processors usually receive their sugar direct from primary distributors in bulk by truck, rail car, or barge. Shipments are made in either dry or liquid form. Refined sugar for home consumption, usually in packages of 10 pounds or less, is shipped by truck or rail.

Methods of Grower Payment Vary

The returns received by cane and beet growers are regulated through various contractual relationships between growers and sugar mills. These vary considerably among the producing areas. Gross returns to growers per ton of sugarbeets or sugarcane are dependent upon sugar prices, the quality of their beets or cane, and Sugar Act payments. The Sugar Act requires that sugarbeet and sugarcane producers, as one of the conditions with which they must comply to be eligible for Government payments, pay all workers employed in the production, cultivation, and harvesting of sugarbeets and sugarcane at not less than minimum wage rates determined by the Secretary of Agriculture to be fair and reasonable. The Sugar Act also prohibits employing workers under 14 years of age or employing workers 14 and 15 years old for more than 8 hours per day (except a person who is a member of the immediate family of a person who owns not less than 40 percent of the crop). Failure to comply with these provisions of the Sugar Act can affect the returns to growers through reductions in Sugar Act payments.

Individual sugarbeet and sugarcane contracts contain provisions for determining the amount of sugar commercially recoverable per ton from sugarbeet and sugarcane growers. However, in those instances when it is impossible to make such a determination, the Secretary of Agriculture may under provisions of the Sugar Act determine the amount of sugar commercially recoverable which is fair and reasonable to the grower. Molasses prices also have a bearing, and, in some cases, so do beet pulp prices.

Cane Sugar

Florida.--Florida sugarcane growers receive payment for their crop from processors (raw cane sugar mills) based on the quantity of raw sugar recovered from their cane and the raw sugar price received by processors.

The processor's average raw sugar price received from refiners is: (1) The weighted average price of raw sugar for the months during which the grower's sugar is delivered to the purchaser or (2) the average price of raw sugar received by a processor who disposes of all his sugar under a single contract with a refiner or cooperative sales organization composed of processors. The refiner bases his raw sugar price on the New York season's average raw sugar price (raw sugar spot quotation of the New York Coffee and Sugar Exchange for No. 10 domestic contract).

In addition, the sugarcane producer receives a payment from the processor of his cane for the molasses recovered from his cane. The total of both payments to the grower for raw sugar and molasses is called the payment basis or final settlement price.

Louisiana.--Louisiana sugarcane growers are paid by a formula similar to that in Florida. In Louisiana, the raw sugar price is the price of 96° sugar quoted by the Louisiana Sugar Exchange, Inc. Table 5 indicates the raw sugar prices and pricing periods for Louisiana as reported in past years by the Louisiana Exchange.

Puerto Rico.--The basis of payments to sugarcane growers in Puerto Rico is the average of monthly New York duty-paid raw sugar prices during specified settlement periods, less selling and delivery expenses. The raw sugar price is the simple average of the daily spot quotations for sugar deliverable under the New York Coffee and Sugar Exchange domestic contract No. 10 (bulk sugar) from January 1 through December 31.

The payment to sugarcane producers for the sugar recovered from their cane can be made either by delivery to the producer of his share of raw sugar or by payment to the producer of the money value of his share of raw sugar, whichever method is agreed upon by the producer and the processor. Nearly all settlements are made in cash, with the sugarcane producer receiving the value of his raw sugar converted to an f.o.b. mill price by subtracting certain selling and delivery expenses from the amount received by the raw sugar mill. If settlement with the sugarcane producer is made in sugar, delivery is made by the producer's vehicle to the mill where the sugar is produced, unless the producer and processor agree in writing to delivery at another mill.

The major portion of the raw sugar is marketed during the late part of the harvesting season, which usually starts in December and is finished the following July. However, some sugar may be stored and sold later.

Hawaii.--Hawaiian sugarcane produced by independent growers is processed under a toll arrangement. However, only approximately 7 percent of the cane grown in Hawaii is grown by independent operators.

The processing or toll rates (percentage of gross proceeds from sugar and molasses) may vary from year to year and between processors. However, under the Sugar Act, the rates may not be less than those determined by the Secretary of Agriculture to be fair and reasonable. The rates proposed for the 1973 Hawaiian sugar crop were 34 percent (2 processors) and 49 percent (3 processors), the same as for the 1972 crop. Where the cane delivery point was at the mill, the maximum processing rate was 34 percent of the gross returns from raw sugar and molasses, and where the cane delivery point was in trucks in the field, the maximum processing rate was 49 percent of the gross returns.

The rates determined by USDA are based primarily upon the ratio of sugar processing costs to total production, processing, and marketing costs. The processors' returns cover transporting, handling, and processing costs from delivery point to departure of raw sugar (and molasses) from the processor's facilities. The producer payment is based primarily on the quantity of sugar contained in his sugarcane times the rate per pound (market price).

Beet Sugar

Sugarbeets have been produced in the United States under contract between growers and processors ever since establishment of the U.S. beet sugar industry. However, a unique feature of current sugarbeet contracts is that payment is based on prices received by the individual processor rather than market price quotations. The price per ton is based on the processor's net returns from the sale of the sugar recovered from the beets. Therefore, the price varies with the sucrose content of the beets. Also, certain marketing charges incurred by the processor are deducted from the processor's gross receipts in calculating payments to growers.

The price provisions of beet contracts have two general forms--the eastern and western types--as discussed below.

Eastern Contract.--The Eastern contract, used in Ohio and Michigan, is frequently referred to as 50-50 sharing--half of the net proceeds of the sale of products is paid to growers for their beets. Some processors divide the returns from the sale of all products--sugar, molasses, and beet pulp--while others divide only the receipts from sugar.

Western Contract.--The Western contract uses a price scale where the price to be paid for a ton of beets varies according to the sucrose content of the beets and the net returns received by the processor for sugar.

There are two ways of applying the payment formula. In one case, each grower's beets are sampled to determine their sucrose content. In the other case, the average sucrose content of all beets received are used for determining payment to growers.

Sweetener Consumption Increases

During 1972, the total per capita consumption of the major sweeteners (sugar, corn syrup and dextrose (corn sugar)) used in the United States amounted to 126 pounds, an increase of 13.1 percent since 1960 (table 6). In 1972, refined sugar accounted for 82 percent of the total sweetener consumption; corn sirup, 14 percent; and corn sugar, 4 percent (fig. 3). However, refined sugar accounted for only 37 percent of the increase in per capita sweetener consumption from 1960; corn sirup, 55 percent; and corn sugar, 8 percent.

In 1960, 34 percent of total sugar deliveries was in consumer-size packages (less than 50 pounds) and used by households. This proportion declined to 24 percent in 1972. Part of the change that has occurred in household sugar consumption is attributable to greater home use of prepared foods and away-from-home eating.

Nearly all the corn syrup and dextrose produced is used by industrial food processors.

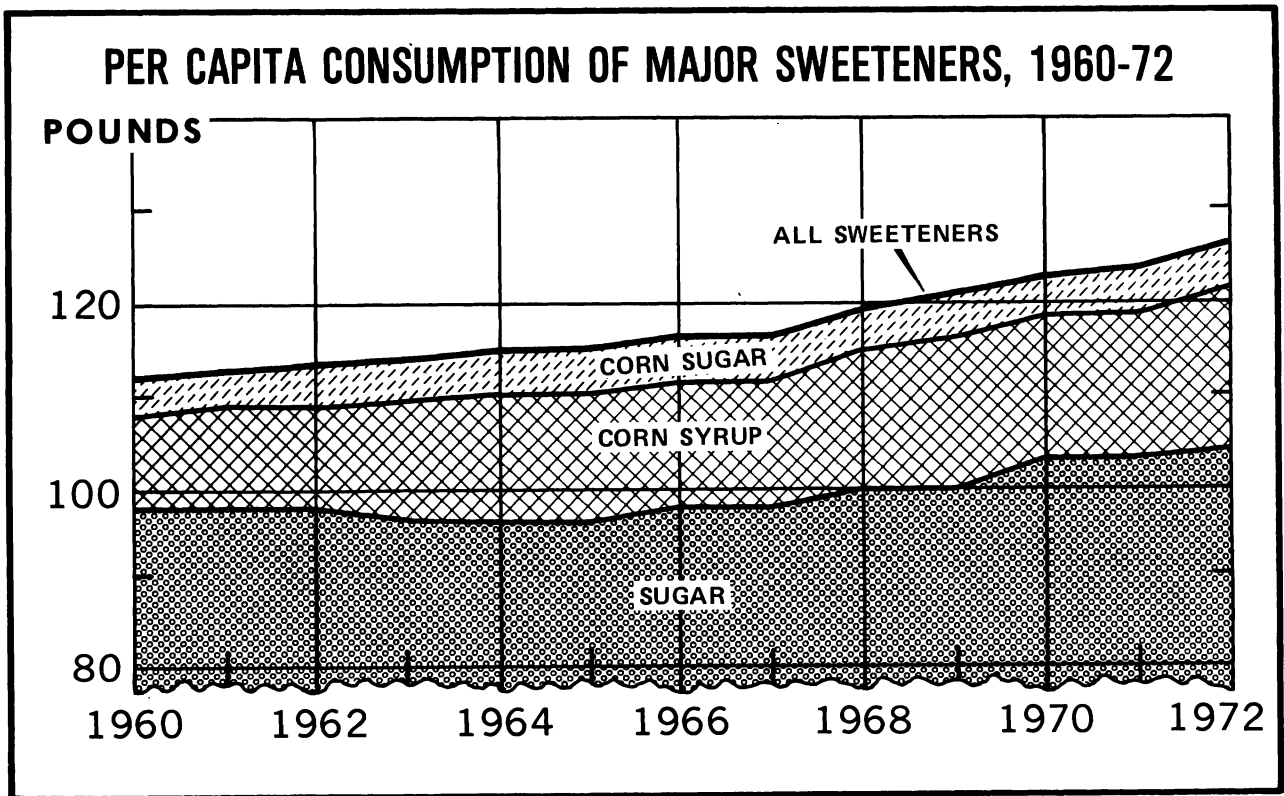


Figure 3

Table 5--Seasonal average price and pricing period for Louisiana raw sugar, 1960-71

Year	Pricing period	Price per pound
		<u>Cents</u>
1959-60.....	Oct. 9 -- Jan. 28	6.18
1960-61.....	Oct. 7 -- Jan. 26	6.48
1961-62.....	Oct. 6 -- Feb. 22	6.31
1962-63.....	Oct. 5 -- Feb. 28	6.58
1963-64.....	Oct. 4 -- Feb. 27	8.99
1964-65.....	Oct. 2 -- May 13	6.54
1965-66.....	Oct. 1 -- April 28	6.82
1966-67.....	Oct. 7 -- April 27	7.14
1967-68.....	Oct. 6 -- April 25	7.35
1968-69.....	Oct. 4 -- April 24	7.66
1969-70.....	Oct. 16 -- April 12	7.88
1970-71.....	Oct. 9 -- April 15	8.19

Source: Sugar Bulletin, American Sugar Cane League of the U.S.A., New Orleans, La., various issues.

Table 6--Per capacity consumption of major sweeteners, 1960-72 1/

Year	Type of sweetener			Total
	Sugar	Corn sugar	Corn sirup	
			<u>Pounds</u>	
1960.....	97.6	3.7	10.1	111.4
1961.....	97.8	3.7	10.6	112.1
1962.....	97.3	3.9	11.5	112.7
1963.....	96.7	4.5	12.3	113.5
1964.....	96.6	4.4	13.6	114.6
1965.....	96.6	4.5	13.7	114.8
1966.....	97.6	4.6	14.0	116.2
1967.....	97.3	4.6	14.1	116.0
1968.....	100.1	4.7	14.8	119.6
1969.....	100.1	4.9	15.4	120.4
1970.....	102.5	5.0	15.8	123.3
1971.....	102.4	5.2	16.2	123.8
1972.....	103.0	4.8	18.2	126.0
1973 <u>2/</u>	103.0	4.8	18.2	126.0

1/ Estimate for total population. 2/ Estimate.

Source: National Food Situation, NFS-143, Feb. 1973, Econ. Res. Serv., U.S. Dept. of Agr.

Pricing System Complex

Refined sugar is a highly standardized product with little or no difference in products from various refineries. Consequently, at any given place and time, all refiners tend to sell their sugar at the same wholesale price.

Transportation is an important element in the cost of distributing and selling refined sugar. Due to excess sugar production in growing areas, large quantities of sugar must often be shipped long distances to markets. The bulky nature of refined sugar and its comparatively low price require that it be transported by methods which can handle sizable quantities at lowest possible cost. Because of excess sugar production and the transportation involved, there exists a need to find local outlets for sugar without unduly affecting prices in production areas. At present, each producer or plant tends to have a recognized territory for selling sugar, although the boundaries of these territories change with changing circumstances. Delivered prices in each territory are uniform among the sellers, despite the fact that transportation costs may be higher for some than for others.

Refined sugar is sold in the wholesale market under a complex system which involves both multiple-basing point and uniform-zone pricing. This pricing system is closely related to the aforementioned problem of distribution. A major effect of the system is the tendency to equalize the prices paid by users at any given delivery point, regardless of the sugar's source. This equalization is accomplished by a system of regional base prices and freight prepays. In connection with this pricing arrangement, the United States has been divided into seven pricing areas as indicated in figure 4. (However, the number and boundaries of these areas have changed from time to time.) Estimated annual wholesale regional price quotations for the current price zones for cane and beet sugar are shown in table 7. Although wholesale beet sugar price quotations were estimated for Gulf, Northeast, and Southeast sales territories, very little, if any, beet sugar is sold in these territories.

Under the pricing system, the seller theoretically pays the freight to the destination specified by the buyer and adds a freight prepay to the regional base price applicable to the destination such that the delivered price to the buyer equals the regional price plus the costs of transportation from the nearest major refining point (such as New York, New Orleans, and San Francisco) to the destination. However, the prepay does not necessarily reflect the transportation costs actually incurred by the seller. In those situations where the prepay is less than the freight cost, the seller suffers a freight loss and his net return is less than the quoted price. When the prepay exceeds transportation charges, the seller realizes a freight gain rather than a freight loss. However, no freight gains or losses ordinarily accrue to the seller located in major port cities where cane sugar refineries are located.

In practice, the pricing system is quite complex, and the basing-point prices frequently do not work out as described. The results are not always easily predictable, for competitive conditions may cause one or more sellers to offer various concessions which result in delivered prices being different, normally lower, than would otherwise be expected. The wholesale price quotations are the public offers of sellers from which delivered prices can be calculated.

Table 7--Weighted wholesale price and quotations, beet and cane, for refined sugar, by sales territories
1960-72, estimated

Year	North- east	South- east	Gulf	Chicago- west	Inter- mountain	South- west	Pacific Coast	Eastern Belt
<u>Cane sugar</u>								
<u>Cents per pound</u>								
1960.....	9.41	9.39	9.33	8.89	8.78	8.88	8.97	--
1961.....	9.42	9.27	9.23	8.80	8.69	8.80	8.72	--
1962.....	9.62	9.18	9.04	9.16	8.97	9.07	9.10	--
1963.....	11.54	10.90	10.91	10.40	9.84	10.39	9.88	--
1964.....	10.64	9.78	9.66	9.37	9.27	9.47	9.55	--
1965.....	10.23	9.22	9.40	9.29	9.23	9.37	9.11	--
1966.....	10.36	9.91	9.81	9.63	9.47	9.74	9.55	--
1967.....	10.57	10.34	10.15	9.74	9.91	9.86	10.16	--
1968.....	10.88	10.60	10.42	9.84	10.14	9.94	10.39	--
1969.....	11.41	10.85	10.59	10.20	10.16	10.27	10.17	--
1970.....	12.01	11.47	11.07	11.10	10.85	11.17	10.85	--
1971.....	12.58	12.09	11.66	11.67	11.34	11.62	11.38	--
1972.....	13.14	12.82	12.20	11.83	11.67	11.88	11.89	--
<u>Beet sugar</u>								
1960.....	9.41	9.42	9.33	8.84	8.80	8.72	8.89	8.63
1961.....	9.49	9.27	9.22	8.56	8.68	8.58	8.72	8.41
1962.....	9.95	9.10	9.04	8.97	8.96	8.96	9.11	9.01
1963.....	12.96	12.63	11.38	9.53	9.50	9.50	9.87	10.15
1964.....	10.57	11.72	9.52	9.03	9.26	9.17	10.83	9.22
1965.....	10.22	9.62	9.40	9.09	9.24	9.18	9.12	9.16
1966.....	10.37	9.80	9.82	9.41	9.38	9.52	9.53	9.54
1967.....	10.55	10.50	10.16	9.59	9.92	9.71	10.16	9.82
1968.....	9.98	10.61	9.83	9.83	10.14	9.93	10.36	9.98
1969.....	10.25	10.82	10.22	10.22	10.17	10.28	10.19	10.37
1970.....	11.50	11.91	11.05	11.08	11.05	10.99	11.09	11.15
1971.....	12.60	12.15	11.70	11.63	11.34	11.62	11.40	11.66
1972.....	13.90	12.70	12.20	11.81	11.67	11.88	11.68	11.68

-- = Not applicable.

Compiled from Weekly Statistical Sugar Trade Journal, various issues, and sugar reports, various issues.

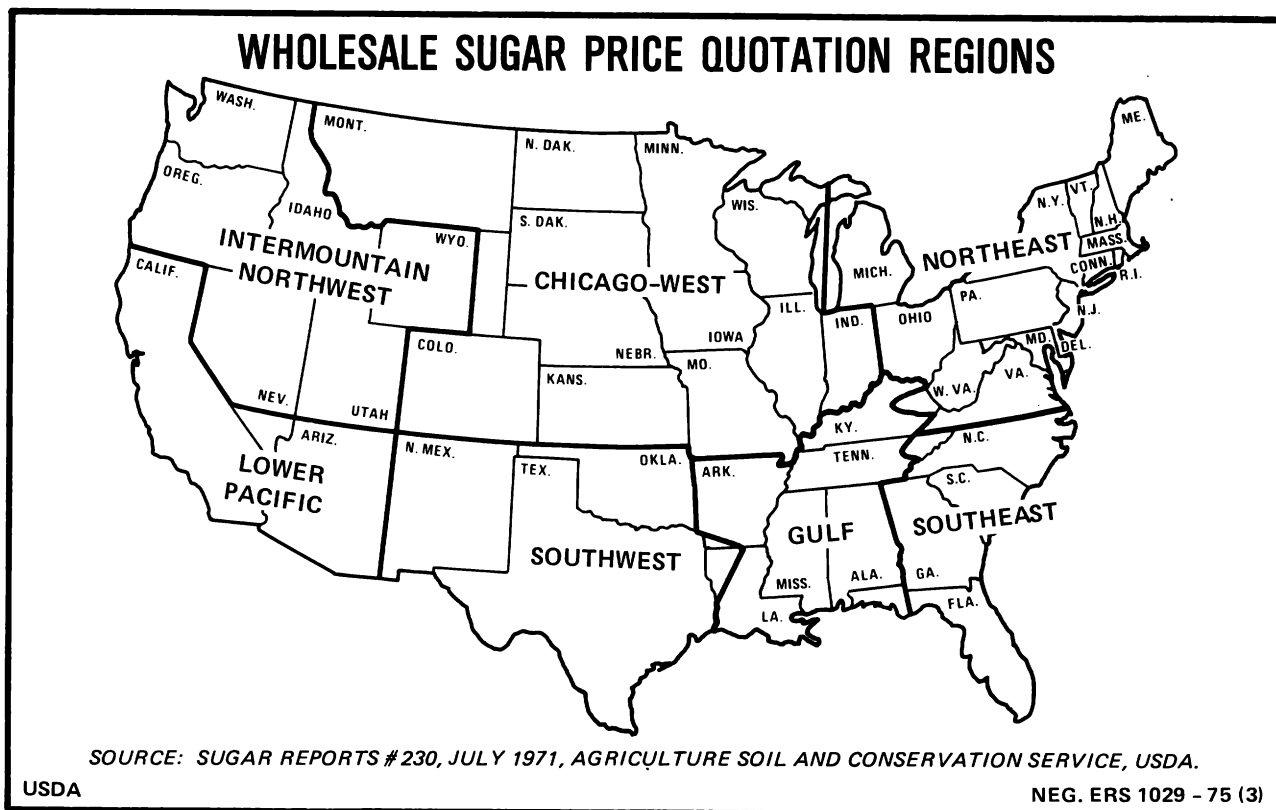


Figure 4

So long as these quotations are in effect, the sellers usually cannot sell sugar at higher prices, but can and sometimes do sell at lower prices.

Returns to Processors Vary

Rates of return in the sugar processing industry based on stockholder investment averaged 8 percent between 1960 and 1971 (table 8). The rates have ranged from a low of 3.3 percent in 1969 to a high of 10.3 percent in 1963. With the exceptions of 1963 and 1971, the rate of return for the sugar industry has ranked in the lower 50 percent of industries reported by the Federal Trade Commission.

MARKETING SPREADS FOR SUGAR, 1960-72

The average U.S. farm-to-retail spread for sugar is published quarterly in the Marketing and Transportation Situation (table 9). However, the data are not broken down by type of sugar or geographic location of production or distribution.

Table 8--Rates of return (after taxes) on stockholders' investment for 12 largest companies in selected manufacturing industries, 1960-71

Year	Sugar		Candy and chocolate		Dairy products		Meat products		Bakery products		Bread, cakes, and pastries	
	Rate of return	Rank	Rate of return	Rank	Rate of return	Rank	Rate of return	Rank	Rate of return	Rank	Rate of return	Rank
	<u>Percent</u>											
1960.....	7.4	27	11.9	6	10.8	11	6.2	32	NA	NA	8.4	23.5
1961.....	7.2	24	15.5	2	9.9	14	4.4	36	NA	NA	6.1	30.5
1962.....	8.1	24	15.1	4	10.3	15	5.3	34	NA	NA	5.3	34
1963.....	10.3	16.5	13.9	6	11.4	16.5	5.7	33	NA	NA	5.8	32
1964.....	8.3	31	15.6	6	11.9	14.5	8.5	30	NA	NA	6.5	34.5
1965.....	9.2	28	13.7	10.5	12.0	14	5.3	35	11.8	15	NA	NA
1966.....	10.0	26.5	13.6	13	11.4	20	5.3	35	13.5	14	NA	NA
1967.....	9.8	24	13.8	9	11.2	18	8.3	30	14.8	6	NA	NA
1968.....	6.9	34	12.3	15.5	11.4	20	8.4	26	12.7	12	NA	NA
1969.....	3.3	35	10.2	20	11.4	14	8.9	24	8.0	26.5	NA	NA
1970.....	8.2	17	11.6	8.5	12.2	7	9.4	15.5	10.9	11	NA	NA
1971.....	9.6	16	11.6	10	12.2	8	10.1	14	12.1	9	NA	NA

NA = Not available.

Source: Report of the Federal Trade Commission on Rates of Return in Selected Manufacturing Industries, various issues. Federal Trade Commission, Washington, D.C.

More complete data for marketing spreads for sugar is shown in table 10. This includes farm value for cane and beet sugar by production area, mill spread for raw cane sugar, processing spreads, retailer's and distributor's spread, regional wholesale sugar prices, and retail sugar prices in selected U.S. cities. For convenience, information shown in tables 9 and 10 is expressed as cents per pound of sugar recovered from the cane or beets.

During 1960-72, the average U.S. farm-to-market spread increased from 7.4 cents per pound to 8.0 cents per pound. Net farm value increased 1.8 cents per pound (4.1 cents to 5.9 cents); and the farmer's share of the retail price increased from 36 percent to 46 percent.

The U.S. average retail price of sugar increased 22 percent between 1960 and 1972 (table 11). This was smaller than the increase for many food items commonly purchased by households. Only white flour showed a smaller rise, while eggs showed a 7-percent decrease.

The share of the consumer dollar for sugarcane and sugarbeet growers ranged from 36 cents in 1960 to 42 cents in 1972 (table 12). When compared with other selected food items frequently purchased by households, such as fluid milk and white flour, the increase in share was greater. For such items as beef, eggs, oranges, and potatoes, the farmer's share was smaller in 1972 than in 1960.

Grower Prices Up

Prices received by growers of sugarcane and sugarbeets--referred to in this study as the farm value--increased in all domestic sugar-producing areas between 1960 and 1972. (The farm value is the payment to farmers for sugarbeets or sugarcane equivalent to 1 pound of refined sugar.) Returns to sugarbeet producers in the Central region (Arkansas, Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, New Mexico, North Dakota, Texas, Utah, and Wyoming) increased the most--1.82 cents per pound--while in the Far West region (Arizona, California, Idaho, and Washington), sugarbeet producers' return increased the least--1.43 cents per pound. Increases in domestic sugarcane producer returns varied from a high of 1.76 cents per pound in Louisiana to a low of 0.90 cent per pound in Hawaii (1971). The increase in the farm value per pound of sugar in Puerto Rico between 1960 and 1972 was 1.31 cents per pound. In Puerto Rico, sugar production has declined in spite of the increased returns, while production has remained relatively constant in Hawaii.

In all domestic sugar-producing areas, some farm values peaked in 1964, the year following a period of unusually high sugar prices, and again rose in 1972. The average U.S. net farm value of a pound of refined sugar increased about 44 percent during 1960-72.

Farmer Raw Sugar Spread Increases

The farmer raw sugar spread is determined by subtracting the net farm value from the raw cane sugar price. For processors to operate profitably, this spread must be large enough to cover the various costs of purchasing,

Table 9--Retail price, farm value, farm-retail spread, byproduct allowance, and farmer's share of retail price, sugar, 1960-72

Year	Retail price	Gross farm value <u>1/</u>	Byproduct allowance <u>2/</u>	Net farm value	Farm-retail spread	Farmer's share	Adjustment for Government payments and taxes		
							Farm-retail spread <u>3/</u>	Farm value <u>4/</u>	Farmer's share
		<u>Cents per pound</u>				<u>Percent</u>	<u>Cents per pound</u>		<u>Percent</u>
1960.....	11.4	4.3	0.3	4.1	7.4	36	6.8	4.8	42
1961.....	11.5	4.3	.3	4.0	7.5	35	7.0	4.7	41
1962.....	11.4	4.5	.3	4.2	7.2	37	6.7	5.0	44
1963.....	13.3	4.9	.3	4.6	8.7	35	8.1	5.4	40
1964.....	12.8	5.1	.3	4.8	8.0	37	7.5	5.5	43
1965.....	11.7	4.5	.3	4.2	7.5	36	6.9	5.0	42
1966.....	11.9	4.7	.3	4.4	7.6	37	7.0	5.1	43
1967.....	12.1	4.9	.3	4.6	7.5	38	6.9	5.4	44
1968.....	12.2	5.2	.3	4.9	7.3	40	6.7	5.5	47
1969.....	12.4	5.4	.3	5.1	7.3	41	6.8	5.8	47
1970.....	13.0	5.6	.3	5.3	7.7	41	7.2	6.1	47
1971.....	13.6	6.3	.4	5.9	7.7	43	7.1	6.7	49
1972.....	13.9	6.3	.4	5.9	8.0	42	7.5	6.7	48

1/ Payment to farmers for sugarcane equivalent to 1 pound of refined sugar. 2/ Byproduct value estimated at 6 percent of gross farm value. 3/ Farm-retail spread less Federal Government excise tax paid by producers. Under provision of the Sugar Act, a tax averaging 53.5 cents per 100 pounds of refined sugar has been in effect since September 1937 (2.7 cents per 5 pounds). 4/ Net farm value plus payments to producers under provisions of the Sugar Act.

Source: Data for 1960-70 from Farm-Retail Spreads for Food Products, Misc. Pub. 741. Econ. Res. Serv., U. S. Dept. of Agr. Data for 1971-72 from Marketing and Transportation Situation, MTS-188, Feb. 1973.

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar 2/	Raw sugar mill spread 3/	Wholesale price 2/	Refiner spread	Retail price	Retailers and distributors spread	Total spread
Cents per pound								
Northeast								
Baltimore, Md.								
Imported raw sugar								
1960	4.41	6.30	1.89	9.41	3.11	11.60	2.19	7.19
1961	4.44	6.29	1.85	9.42	3.13	11.94	2.52	7.50
1962	4.45	6.45	2.00	9.62	3.17	11.88	2.26	7.43
1963	4.67	8.19	3.52	11.54	3.35	14.16	2.62	9.49
1964	5.51	6.90	1.39	10.64	3.74	13.18	2.54	7.67
1965	4.76	6.75	1.99	10.23	3.48	11.94	1.71	7.18
1966	4.68	6.99	2.31	10.36	3.37	12.14	1.78	7.46
1967	4.81	7.28	2.47	10.57	3.29	12.38	1.81	7.57
1968	5.02	7.52	2.50	10.88	3.36	12.44	1.56	7.42
1969	5.14	7.75	2.61	11.41	3.66	12.52	1.11	7.38
1970	5.21	8.07	2.86	12.01	3.94	13.20	1.19	7.99
1971	5.39	8.52	3.13	12.58	4.06	13.94	1.36	8.55
1972	5.72	9.09	3.37	13.14	4.05	14.32	1.18	8.60
Boston, Mass.								
Imported raw sugar								
1960	4.41	6.30	1.89	9.41	3.11	11.34	1.93	6.93
1961	4.44	6.29	1.85	9.42	3.13	11.78	2.36	7.34
1962	4.45	6.45	2.00	9.62	3.17	11.58	1.96	7.13
1963	4.67	8.19	3.52	11.54	3.35	13.90	2.36	9.23
1964	5.51	6.90	1.39	10.64	3.74	12.86	2.22	7.35
1965	4.76	6.75	1.99	10.23	3.48	12.06	1.83	7.30
1966	4.68	6.99	2.31	10.36	3.37	12.00	1.64	7.32
1967	4.81	7.28	2.47	10.57	3.29	12.26	1.69	7.45
1968	5.02	7.52	2.50	10.88	3.36	12.16	1.28	7.14
1969	5.14	7.75	2.61	11.41	3.66	12.26	.85	7.12
1970	5.21	8.07	2.86	12.01	3.94	12.96	.95	7.75
1971	5.39	8.52	3.13	12.58	4.06	13.70	1.12	8.31
1972	5.72	9.09	3.37	13.14	4.05	13.88	.74	8.16

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72 --Continued

Year	Farm value 1/	Raw sugar : mill	Raw : sugar : price 2/	Wholesale : price 2/	Refiner : spread	Retail : price	Retailers and distributors	Total spread
			spread :				spread 3/	
<u>Cents per pound</u>								
<u>Northeast</u>								
Buffalo, N. Y.								
<u>Imported raw sugar</u>								
1968	5.02	7.52	2.50	10.88	3.36	12.42	1.54	7.40
1969	5.14	7.75	2.61	11.41	3.66	12.68	1.27	7.54
1970	5.21	8.07	2.86	12.01	3.94	13.34	1.33	8.13
1971	5.39	8.52	3.13	12.58	4.06	13.94	1.36	8.55
1972	5.72	9.09	3.37	13.14	4.05	14.08	.94	8.36
<u>Eastern region beet sugar</u>								
1968	5.90	--	--	9.98	4.08	12.42	2.44	6.52
1969	5.91	--	--	10.37	4.46	12.68	2.31	6.78
1970	6.04	--	--	11.15	5.11	13.34	2.19	7.30
1971	6.53	--	--	11.66	5.13	13.94	2.28	7.41
1972	6.68	--	--	11.68	5.00	14.08	2.40	7.40
Cincinnati, Ohio (via East Coast ports)								
<u>Imported raw sugar</u>								
1960	4.41	6.30	1.89	9.41	3.11	11.78	2.37	7.37
1961	4.44	6.29	1.85	9.42	3.13	11.94	2.52	7.50
1962	4.45	6.45	2.00	9.62	3.17	11.78	2.16	7.33
1963	4.67	8.19	3.52	11.54	3.35	13.36	1.82	8.69
1964	5.51	6.90	1.39	10.64	3.74	NA	NA	NA
1965	4.76	6.75	1.99	10.23	3.48	NA	NA	NA
1966	4.68	6.99	2.31	10.36	3.77	NA	NA	NA
1967	4.81	7.28	2.47	10.57	3.29	NA	NA	NA
1968	5.02	7.52	2.50	10.88	3.36	12.46	1.58	7.44
1969	5.14	7.75	2.61	11.41	3.66	12.82	1.41	7.68
1970	5.21	8.07	2.86	12.01	3.94	13.36	1.35	8.15
1971	5.39	8.52	3.13	12.58	4.06	13.48	.90	8.09
1972	5.72	9.09	3.37	13.14	4.05	13.94	.80	8.22

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Northeast</u>								
Cleveland, Ohio								
(via East Coast ports)								
<u>Imported raw sugar</u>								
1960	4.41	6.30	1.89	9.41	3.11	12.08	2.67	7.67
1961	4.44	6.29	1.85	9.42	3.13	12.12	2.70	7.68
1962	4.45	6.45	2.00	9.62	3.17	11.86	2.24	7.41
1963	4.67	8.19	3.52	11.54	3.35	13.76	2.22	9.09
1964	5.51	6.90	1.39	10.64	3.74	12.90	2.26	7.39
1965	4.76	6.75	1.99	10.23	3.48	11.88	1.65	7.12
1966	4.68	6.99	2.31	10.36	3.37	11.80	1.44	7.12
1967	4.81	7.28	2.47	10.57	3.29	11.96	1.37	7.15
1968	5.02	7.52	2.50	10.88	3.36	12.60	1.72	7.58
1969	5.14	7.75	2.61	11.41	3.66	13.28	1.87	8.14
1970	5.21	8.07	2.86	12.01	3.94	14.38	2.37	9.17
1971	5.39	8.52	3.13	12.58	4.06	14.34	1.76	8.95
1972	5.72	9.09	3.37	13.14	4.05	14.26	1.12	8.54
<u>Eastern region beet sugar</u>								
1960	5.25	--	--	8.63	3.38	12.08	3.45	6.83
1961	4.94	--	--	8.41	3.47	12.12	3.71	7.18
1962	5.35	--	--	9.01	3.66	11.86	2.85	6.51
1963	5.61	--	--	10.15	4.54	13.76	3.61	8.15
1964	5.60	--	--	9.22	3.62	12.90	3.68	7.30
1965	5.25	--	--	9.16	3.91	11.88	2.72	6.63
1966	5.58	--	--	9.54	3.96	11.80	2.26	6.22
1967	5.74	--	--	9.82	4.08	11.96	2.14	6.22
1968	5.90	--	--	9.98	4.08	12.60	2.62	6.70
1969	5.91	--	--	10.37	4.46	13.28	2.91	7.37
1970	6.04	--	--	11.15	5.11	14.38	3.23	8.34
1971	6.53	--	--	11.66	5.13	14.34	2.68	7.81
1972	6.68	--	--	11.68	5.00	14.26	2.58	7.58

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	Retailers and distributors spread 3/	Total spread
Cents per pound								
Northeast								
Detroit, Mich.								
Eastern region beet sugar								
1960	5.25	--	--	8.63	3.38	11.56	2.93	6.31
1961	4.94	--	--	8.41	3.47	11.56	3.15	6.62
1962	5.35	--	--	9.01	3.66	11.50	2.49	6.15
1963	5.61	--	--	10.15	6.49	13.20	3.05	7.59
1964	5.60	--	--	9.22	8.88	12.64	3.42	7.04
1965	5.25	--	--	9.16	2.39	11.72	2.56	6.47
1966	5.58	--	--	9.54	3.96	11.72	2.18	6.14
1967	5.74	--	--	9.82	4.08	11.60	1.78	5.86
1968	5.90	--	--	9.98	4.08	11.86	1.88	5.96
1969	5.91	--	--	10.37	4.46	12.22	1.85	6.31
1970	6.04	--	--	11.15	5.11	12.70	1.55	6.66
1971	6.53	--	--	11.66	5.13	12.66	1.00	6.13
1972	6.68	--	--	11.68	5.00	13.70	2.02	7.02
(via East Coast ports)								
Imported raw sugar								
1960	4.41	6.30	1.89	9.41	3.11	11.56	2.15	7.15
1961	4.44	6.29	1.85	9.42	3.13	11.56	2.14	7.12
1962	4.45	6.45	2.00	9.62	3.17	11.50	1.88	7.05
1963	4.67	8.19	3.52	11.54	3.35	13.20	1.66	8.53
1964	4.51	6.90	1.39	10.64	3.74	12.64	2.00	7.13
1965	4.76	6.75	1.99	10.23	3.48	11.72	1.49	6.96
1966	4.68	6.99	2.31	10.36	3.37	11.72	1.36	7.04
1967	4.81	7.28	2.47	10.57	3.29	11.60	1.03	6.79
1968	5.02	7.52	2.50	10.88	3.36	11.86	.98	6.84
1969	5.14	7.75	2.61	11.41	3.66	12.22	.81	7.08
1970	5.21	8.07	2.86	12.01	3.94	12.70	.69	7.49
1971	5.29	8.52	3.23	12.58	4.06	12.66	.08	7.27
1972	5.72	9.09	3.37	13.14	4.05	13.70	.56	7.98

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	Retailers and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Northeast</u>								
<u>Louisiana raw sugar</u>								
1960	4.73	6.18	1.45	9.41	3.23	11.78	2.37	7.05
1961	4.85	6.48	1.63	9.42	2.94	11.94	2.52	7.09
1962	4.78	6.32	1.54	9.64	3.30	11.78	2.16	7.00
1963	5.23	6.58	1.35	11.54	4.96	13.36	1.82	8.13
1964	6.35	8.99	2.64	10.64	1.65	NA	NA	NA
1965	4.99	6.54	1.55	10.23	3.72	NA	NA	NA
1966	5.18	6.82	1.64	10.36	3.54	NA	NA	NA
1967	5.30	7.14	1.84	10.57	3.43	NA	NA	NA
1968	5.37	7.35	1.98	10.88	3.53	12.46	1.58	7.09
1969	5.15	7.66	2.51	11.41	3.75	12.82	1.41	7.67
1970	5.75	7.88	2.13	12.01	4.13	13.36	1.35	7.61
1971	6.05	8.19	2.14	12.58	4.39	13.48	.90	7.43
1972	6.49	8.88	2.39	13.14	4.26	13.94	.80	7.35
<u>Eastern region beet sugar</u>								
1960	5.25	--	--	8.63	3.38	11.78	3.15	6.53
1961	4.94	--	--	8.41	3.47	11.94	3.53	7.00
1962	5.35	--	--	9.01	3.66	11.78	2.77	6.43
1963	5.61	--	--	10.15	4.54	13.36	3.21	7.75
1964	5.60	--	--	9.22	3.62	NA	NA	NA
1965	5.25	--	--	9.16	3.91	NA	NA	NA
1966	5.58	--	--	9.54	3.96	NA	NA	NA
1967	5.74	--	--	9.82	4.08	NA	NA	NA
1968	5.90	--	--	9.98	4.08	12.46	2.48	6.56
1969	5.91	--	--	10.37	4.46	12.82	2.45	6.91
1970	6.04	--	--	11.15	5.11	13.36	2.21	7.32
1971	6.53	--	--	11.66	5.13	13.48	1.82	6.95
1972	6.68	--	--	11.68	5.00	13.94	2.26	7.26

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner spread	Retail price	Retailers and distributors spread 3/	Total spread
Cents per pound								
Northeast								
Pittsburgh, Pa.								
(via East Coast ports)								
Imported raw sugar								
1960	4.41	6.30	1.89	9.41	3.11	12.18	2.77	7.77
1961	4.44	6.29	1.85	9.42	3.13	12.38	2.96	7.94
1962	4.45	6.45	2.00	9.62	3.17	12.48	2.86	8.03
1963	4.67	8.19	3.52	11.54	3.35	14.62	3.08	9.97
1964	5.51	6.90	1.39	10.64	3.74	14.10	3.46	8.59
1965	4.76	6.75	1.99	10.23	3.48	12.72	2.49	7.96
1966	4.68	6.99	2.31	10.36	3.37	12.40	2.04	7.72
1967	4.81	7.28	2.47	10.57	3.29	11.94	1.37	7.13
1968	5.02	7.52	2.50	10.88	3.36	12.20	1.32	7.18
1969	5.14	7.75	2.61	11.41	3.66	12.72	1.31	7.58
1970	5.21	8.07	2.86	12.01	3.94	13.10	1.09	7.89
1971	5.39	8.52	3.13	12.58	4.06	13.36	.78	7.97
1972	5.72	9.09	3.37	13.14	4.05	13.44	.30	7.72
Eastern region beet sugar								
1960	5.25	--	--	8.63	3.38	12.18	3.55	6.93
1961	4.94	--	--	8.41	3.20	12.38	3.97	7.44
1962	5.35	--	--	9.01	3.66	12.48	3.47	7.13
1963	5.61	--	--	10.15	4.54	14.62	4.47	9.01
1964	5.60	--	--	9.22	3.62	14.10	4.88	8.50
1965	5.25	--	--	9.16	3.91	12.72	3.56	7.47
1966	5.58	--	--	9.54	3.96	12.40	2.86	6.82
1967	5.74	--	--	9.82	4.08	11.94	2.12	6.20
1968	5.90	--	--	9.98	4.08	12.20	2.22	6.30
1969	5.91	--	--	10.37	4.46	12.72	2.35	6.81
1970	6.04	--	--	11.15	5.11	13.10	1.95	7.06
1971	6.53	--	--	11.66	5.13	13.36	1.70	6.83
1972	6.68	--	--	11.68	5.00	13.44	1.76	6.76

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	: : Farm : value 1/	: : Raw : sugar	: Raw : sugar : mill	: Raw : sugar : mill : spread	: : Wholesale : price 2/	: : Refiner : spread	: : Retail : price	: Retailers : and : distributors : spread 3/	: : Total : spread
<u>Cents per pound</u>									
<u>Northeast</u>									
New York, N.Y. and northern New Jersey									
<u>Imported raw sugar</u>									
1960	4.41	6.30	1.89	9.41	3.11	11.06	1.65	6.65	
1961	4.44	6.29	1.85	9.42	3.13	11.40	1.98	6.96	
1962	4.45	6.45	2.06	9.62	3.17	11.38	1.76	6.93	
1963	4.67	8.19	3.52	11.54	3.35	13.76	2.22	9.09	
1964	5.51	6.90	1.39	10.64	3.74	13.14	2.50	7.63	
1965	4.76	6.75	1.99	10.23	3.48	11.90	1.67	7.14	
1966	4.68	6.99	2.31	10.36	3.37	12.40	2.04	7.72	
1967	4.81	7.28	2.47	10.57	3.29	12.40	1.83	7.59	
1968	5.02	7.52	2.50	10.88	3.36	12.48	1.60	7.46	
1969	5.14	7.75	2.61	11.41	3.66	12.76	1.35	7.62	
1970	5.21	8.07	2.86	12.01	3.94	13.48	1.47	8.27	
1971	5.39	8.52	3.13	12.58	4.06	13.90	1.32	8.51	
1972	5.72	9.09	3.37	13.14	4.05	14.08	.94	8.36	
Philadelphia, Pa.									
<u>Imported raw sugar</u>									
1960	4.41	6.30	1.89	9.41	3.11	11.34	1.93	6.93	
1961	4.44	6.29	1.85	9.42	3.13	11.70	2.28	7.26	
1962	4.45	6.45	2.00	9.62	3.17	11.74	2.12	7.29	
1963	4.67	8.19	3.52	11.54	3.35	13.90	2.38	9.25	
1964	5.51	6.90	1.39	10.64	3.74	12.70	2.06	7.19	
1965	4.76	6.75	1.99	10.23	3.48	11.80	1.57	7.04	
1966	4.68	6.99	2.31	10.36	3.37	12.06	1.70	7.38	
1967	4.81	7.28	2.47	10.57	3.29	12.30	1.73	7.49	
1968	5.02	7.52	2.50	10.88	3.36	12.10	1.22	7.08	
1969	5.14	7.75	2.61	11.41	3.66	12.34	.93	7.20	
1970	5.21	8.07	2.86	12.01	3.94	12.76	.75	7.55	
1971	5.39	8.52	3.13	12.58	4.06	13.62	1.04	8.23	
1972	5.72	9.09	3.37	13.14	4.05	13.90	.76	8.18	

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar 2/	Wholesale price 3/	Refiner's spread	Retail price	and distributors spread	Total spread
<u>Cents per pound</u>							
<u>Northeast</u>							
Washington, D.C. - Virginia - Maryland Metropolitan Area							
(via East Coast ports)							
<u>Imported raw sugar</u>							
1960	4.41	6.30	1.89	9.41	3.11	11.56	2.15
1961	4.44	6.29	1.85	9.42	3.13	11.92	2.50
1962	4.45	6.45	2.00	9.62	3.17	11.42	1.80
1963	4.67	8.19	3.52	11.54	3.35	13.74	2.20
1964	5.51	6.90	1.39	10.64	3.74	13.14	2.50
1965	4.76	6.75	1.99	10.23	3.48	11.70	1.47
1966	4.68	6.99	2.31	10.36	3.37	11.82	1.46
1967	4.81	7.28	2.47	10.57	3.29	12.34	1.77
1968	5.02	7.52	2.50	10.88	3.36	12.40	1.52
1969	5.14	7.75	2.61	11.41	3.66	12.50	1.09
1970	5.21	8.07	2.86	12.01	3.94	12.94	.93
1971	5.39	8.52	3.13	12.58	4.06	14.02	1.44
1972	5.72	9.09	3.37	13.14	4.05	14.98	1.84

See footnotes at end of table.

Continued

Table 10.--Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	: : Farm : value 1/	: : Raw : sugar	: : Raw : sugar : mill : spread:	: : Raw : sugar : Wholesale : price 2/	: : Raw : sugar : Refiner : spread	: : Raw : sugar : Retail : price	: : Raw : sugar : Retailers : and : distributors : spread 3/	: : Raw : sugar : Total : spread
<u>Cents per pound</u>								
<u>Southeast</u>								
Atlanta, Ga.								
<u>Florida raw sugar</u>								
1960	4.31	6.30	1.99	9.39	3.09	11.40	2.01	7.09
1961	4.28	6.29	2.01	9.27	2.98	11.52	2.25	7.24
1962	4.49	6.45	1.96	9.18	2.73	11.52	2.34	7.03
1963	4.68	8.19	3.51	10.90	2.71	13.88	2.98	9.20
1964	5.17	6.90	1.73	9.78	2.88	NA	NA	NA
1965	5.21	6.75	1.54	9.22	2.47	NA	NA	NA
1966	4.57	6.99	2.42	9.91	2.92	NA	NA	NA
1967	4.66	7.28	2.62	10.34	3.06	NA	NA	NA
1968	4.80	7.52	2.72	10.60	3.08	12.12	1.52	7.32
1969	5.15	7.75	2.60	10.85	3.10	12.30	1.45	7.15
1970	5.53	8.07	2.54	11.47	3.40	12.84	1.37	7.31
1971	5.44	8.52	3.08	12.09	3.57	13.42	1.33	7.98
1972	5.68	9.09	3.41	12.82	3.73	13.92	1.10	8.24
<u>Imported raw sugar</u>								
1960	4.41	6.30	1.89	9.39	3.09	11.40	2.01	6.99
1961	4.44	6.29	1.85	9.27	2.98	11.52	2.25	7.08
1962	4.45	6.45	2.00	9.18	2.73	11.52	2.34	7.07
1963	4.67	8.19	3.52	10.90	2.71	13.88	2.98	9.21
1964	5.51	6.90	1.39	9.78	2.88	NA	NA	NA
1965	4.76	6.75	1.99	9.22	2.47	NA	NA	NA
1966	4.68	6.99	2.31	9.91	2.92	NA	NA	NA
1967	4.81	7.28	2.47	10.34	3.06	NA	NA	NA
1968	5.02	7.52	2.50	10.60	3.08	12.12	1.52	7.10
1969	5.14	7.75	2.61	10.85	3.10	12.30	1.45	7.16
1970	5.21	8.07	2.86	11.47	3.40	12.84	1.37	7.16
1971	5.39	8.52	3.13	12.09	3.57	13.42	1.33	8.03
1972	5.72	9.09	3.37	12.82	3.73	13.92	1.10	8.20

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72 --Continued

Year	: Farm : : value 1/:	: Raw : : sugar :	: Raw : : sugar : mill :	: Wholesale : : price 2/:	: Refiner : : spread :	: Retail : : price :	: Retailers : : and : distributors :	: Total : : spread 3/ :
<u>Cents per pound</u>								
<u>Southwest</u>								
Dallas, Tex.								
<u>Louisiana raw sugar</u>								
1968	5.37	7.35	1.98	9.94	2.59	11.84	1.90	6.47
1969	5.15	7.66	2.51	10.27	2.61	11.60	1.33	6.45
1970	5.75	7.88	2.13	11.17	3.29	12.22	1.05	6.47
1971	6.05	8.19	2.14	11.62	3.43	13.10	1.48	7.05
1972	6.49	8.88	2.39	11.88	3.00	13.50	1.62	7.01
<u>Houston, Tex.</u>								
(via Gulf Coast ports)								
<u>Imported raw sugar</u>								
1960	4.41	6.18	1.77	8.88	2.70	10.52	1.64	6.11
1961	4.44	6.48	2.04	8.80	2.32	10.50	1.70	6.06
1962	4.45	6.32	1.87	9.07	2.75	10.50	1.43	6.05
1963	4.67	6.58	1.91	10.39	3.81	12.34	1.95	7.67
1964	5.51	8.99	3.48	9.47	.48	NA	NA	NA
1965	4.76	6.54	1.78	9.37	2.83	NA	NA	NA
1966	4.68	6.82	2.14	9.74	2.92	NA	NA	NA
1967	4.81	7.14	2.33	9.86	2.72	NA	NA	NA
1968	5.02	7.35	2.33	9.94	2.59	10.52	.58	5.50
1969	5.14	7.66	2.52	10.27	2.61	10.58	.31	5.44
1970	5.21	7.88	2.67	11.17	3.29	11.40	.23	6.19
1971	5.39	8.19	2.80	11.62	3.43	12.88	1.26	7.49
1972	5.72	8.88	3.16	11.88	3.00	13.62	1.74	7.90

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar 2/	Raw sugar mill spread	Wholesale price 2/	Refiner: spread	Retail price	Retailers and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Southwest</u>								
<u>Central region beet sugar</u>								
1960	4.84	--	--	8.72	3.88	10.52	1.80	5.68
1961	4.61	--	--	8.58	3.97	10.50	1.92	5.89
1962	4.90	--	--	8.86	3.96	10.50	1.64	5.60
1963	5.20	--	--	9.50	4.30	12.34	2.84	7.14
1964	5.27	--	--	9.17	3.90	NA	NA	NA
1965	4.91	--	--	9.18	4.27	NA	NA	NA
1966	5.11	--	--	9.52	4.41	NA	NA	NA
1967	5.36	--	--	9.71	4.35	NA	NA	NA
1968	5.57	--	--	9.93	4.36	10.52	.59	4.95
1969	5.86	--	--	10.28	4.42	10.58	.30	4.72
1970	6.04	--	--	10.99	4.95	11.40	.41	5.36
1971	6.58	--	--	11.62	5.04	12.88	1.26	6.30
1972	6.66	--	--	11.88	5.22	13.62	1.74	6.96
<u>Chicago - West</u>								
Chicago, Ill., and northwest Indiana (via Gulf Coast ports)								
<u>Imported raw sugar</u>								
1960	4.41	6.18	1.77	8.89	2.71	11.30	2.41	6.89
1961	4.44	6.48	2.04	8.80	2.32	11.50	2.70	7.06
1962	4.45	6.32	1.87	9.16	2.84	11.50	2.34	7.05
1963	4.67	6.58	1.91	10.40	3.82	12.86	2.46	8.19
1964	5.51	8.99	3.48	9.37	0.38	12.58	3.21	7.07
1965	4.76	6.54	1.78	9.29	2.75	12.00	2.71	7.24
1966	4.68	6.82	2.14	9.63	2.81	12.22	2.59	7.54
1967	4.81	7.14	2.33	9.74	2.60	11.70	1.96	6.99
1968	5.02	7.35	2.33	9.84	2.49	11.90	2.06	6.88
1969	5.14	7.66	2.52	10.20	2.54	12.16	1.96	7.02
1970	5.21	7.88	2.67	11.10	3.22	13.02	1.92	7.81
1971	5.39	8.19	2.80	11.67	3.48	14.10	2.43	8.71
1972	5.72	8.88	3.16	11.83	2.95	14.40	2.57	8.68

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72 --Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	Retailers and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Chicago - West</u>								
<u>Louisiana raw sugar</u>								
1960	4.73	6.18	1.45	8.89	2.71	11.30	2.41	6.57
1961	4.85	6.48	1.63	8.80	2.32	11.50	2.70	6.65
1962	4.78	6.32	1.54	9.16	2.84	11.50	2.34	6.72
1963	5.23	6.58	1.35	10.40	3.82	12.86	2.46	7.63
1964	6.35	8.99	2.64	9.37	0.38	12.58	3.21	6.23
1965	4.99	6.54	1.55	9.29	2.75	12.00	2.71	7.01
1966	5.18	6.82	1.64	9.63	2.81	12.22	2.59	7.04
1967	5.30	7.14	1.84	9.74	2.60	11.70	1.96	6.40
1968	5.37	7.35	1.98	9.84	2.49	11.90	2.06	6.53
1969	5.15	7.66	2.51	10.20	2.54	12.16	1.96	7.01
1970	5.75	7.88	2.13	11.10	3.22	13.02	1.92	7.27
1971	6.05	8.19	2.14	11.67	3.48	14.10	2.43	8.05
1972	6.49	8.88	2.39	11.83	2.95	14.40	2.57	7.71
<u>Central region beet sugar</u>								
1960	4.84	--	--	8.84	4.00	11.30	2.46	6.46
1961	4.61	--	--	8.56	3.95	11.50	2.94	6.89
1962	4.90	--	--	8.97	4.07	11.50	2.53	6.60
1963	5.20	--	--	9.53	4.33	12.86	3.33	7.66
1964	5.27	--	--	9.03	3.76	12.58	3.55	7.31
1965	4.91	--	--	9.09	4.18	12.00	2.91	7.09
1966	5.11	--	--	9.41	4.30	12.22	2.81	7.11
1967	5.36	--	--	9.59	4.23	11.70	2.11	6.34
1968	5.57	--	--	9.83	4.26	11.90	2.07	6.33
1969	5.86	--	--	10.22	4.36	12.16	1.94	6.30
1970	6.04	--	--	11.08	5.04	13.02	1.94	6.98
1971	6.58	--	--	11.63	5.05	14.10	2.47	7.52
1972	6.66	--	--	11.68	5.02	14.40	2.72	7.74

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	: : Farm : value 1/	: : Raw : sugar	: : Raw : sugar : mill : spread	: : Raw : sugar : Wholesale : price 2/ : price	: : Refiner : price : price	: : Retail : price : price	: : Retailers : and : distributors : spread 3/	: : Total : spread
<u>Cents per pound</u>								
<u>Chicago - West</u>								
<u>Far West region beet sugar</u>								
1960	4.94	--	--	8.84	3.90	11.30	2.46	6.36
1961	4.92	--	--	8.56	3.64	11.50	2.94	6.58
1962	5.19	--	--	8.97	3.78	11.50	2.53	6.31
1963	5.49	--	--	9.53	4.04	12.86	3.33	7.37
1964	5.38	--	--	9.03	3.65	12.58	3.55	7.20
1965	5.09	--	--	9.09	4.00	12.00	2.91	6.91
1966	5.32	--	--	9.41	4.09	12.22	2.81	6.90
1967	5.47	--	--	9.59	4.12	11.70	2.11	6.23
1968	4.25	--	--	9.83	5.58	11.90	2.07	7.65
1969	5.98	--	--	10.22	4.24	12.16	1.94	6.18
1970	6.28	--	--	11.08	4.80	13.02	1.94	6.74
1971	6.53	--	--	11.63	5.10	14.10	2.47	7.57
1972	6.28	--	--	11.68	5.40	14.40	2.72	8.12
<u>Kansas City, Mo.</u>								
<u>Louisiana raw sugar</u>								
1960	4.73	6.18	1.45	9.33	3.15	11.26	1.93	6.53
1961	4.85	6.48	1.63	9.23	2.75	11.10	1.87	6.25
1962	4.78	6.32	1.54	9.04	2.72	11.44	2.40	6.66
1963	5.23	6.58	1.35	10.91	4.33	13.00	2.09	7.77
1964	6.35	8.99	2.64	9.66	0.67	NA	NA	NA
1965	4.99	6.54	1.55	9.40	2.86	NA	NA	NA
1966	5.18	6.82	1.64	9.81	2.99	NA	NA	NA
1967	5.30	7.14	1.84	10.15	3.01	NA	NA	NA
1968	5.37	7.35	1.98	10.42	3.07	12.16	1.74	6.79
1969	5.15	7.66	2.51	10.59	2.93	12.20	1.61	7.05
1970	5.75	7.88	2.13	11.07	3.19	12.38	1.31	6.63
1971	6.05	8.19	2.14	11.66	3.47	12.96	1.30	6.91
1972	6.49	8.88	2.39	11.83	2.95	13.46	1.63	6.97

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value	Raw sugar	Raw sugar mill spread	Wholesale price	Refiner price	Retail price	Retailers and distributors spread	Total spread
<u>Cents per pound</u>								
<u>Chicago - West</u>								
<u>Central region beet sugar</u>								
1960	4.84	--	--	8.84	4.00	11.26	2.42	6.42
1961	4.61	--	--	8.56	3.95	11.10	2.54	6.49
1962	4.90	--	--	8.97	4.07	11.44	2.47	6.54
1963	5.20	--	--	9.53	4.33	13.00	3.47	7.80
1964	5.27	--	--	9.03	3.76	NA	NA	NA
1965	4.91	--	--	9.09	4.18	NA	NA	NA
1966	5.11	--	--	9.41	4.30	NA	NA	NA
1967	5.36	--	--	9.59	4.23	NA	NA	NA
1968	5.57	--	--	9.83	4.26	12.16	2.33	6.59
1969	5.86	--	--	10.22	4.36	12.20	1.98	6.34
1970	6.04	--	--	11.08	5.04	12.38	1.30	6.34
1971	6.58	--	--	11.63	5.05	12.96	1.33	6.38
1972	6.66	--	--	11.81	5.15	13.46	1.65	6.80
<u>Milwaukee, Wis.</u>								
<u>Central region beet sugar</u>								
1968	5.57	--	--	9.83	4.26	12.42	2.59	6.85
1969	5.86	--	--	10.22	4.36	12.84	2.62	6.98
1970	6.04	--	--	11.08	5.04	13.50	2.42	7.46
1971	6.58	--	--	11.63	5.05	13.92	2.29	7.34
1972	6.66	--	--	11.81	5.15	14.16	2.35	7.50

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	Retailers and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Chicago - West</u>								
<u>Louisiana raw sugar</u>								
1968	5.37	7.35	1.98	9.84	2.49	12.42	2.58	7.05
1969	5.15	7.66	2.51	10.20	2.54	12.84	2.64	7.69
1970	5.75	7.88	2.13	11.10	3.22	13.50	2.40	7.75
1971	6.05	8.19	2.14	11.67	3.48	13.92	2.25	7.87
1972	6.49	8.88	2.39	11.83	2.95	14.16	2.33	7.67
<u>Minneapolis - St. Paul, Minn.</u>								
<u>Central region beet sugar</u>								
1960	4.84	--	--	8.84	4.00	11.78	2.94	6.94
1961	4.61	--	--	8.56	3.95	11.66	3.10	7.03
1962	4.90	--	--	8.97	4.07	11.78	2.81	6.88
1963	5.20	--	--	9.53	4.33	13.30	3.77	8.16
1964	5.27	--	--	9.03	3.76	NA	NA	NA
1965	4.91	--	--	9.09	4.18	NA	NA	NA
1966	5.11	--	--	9.41	4.30	NA	NA	NA
1967	5.36	--	--	9.59	4.23	NA	NA	NA
1968	5.57	--	--	9.83	4.26	13.04	3.21	7.47
1969	5.86	--	--	10.22	4.36	13.32	3.10	7.40
1970	6.04	--	--	11.08	5.04	13.74	2.66	7.70
1971	6.58	--	--	11.63	5.05	14.46	2.83	7.88
1972	6.66	--	--	11.81	5.15	14.44	2.63	7.78

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	sugar price 2/	Wholesale price	Refiner price	Retail price	and distributors spread 3/	Total spread
Cents per pound									
Minneapolis - St. Paul, Minn.									
Louisiana raw sugar									
1960	4.73	6.18	1.45	8.89	2.71	11.78	2.89		7.05
1961	4.85	6.48	1.63	8.80	2.32	11.66	2.86		6.81
1962	4.78	6.32	1.54	9.16	2.84	11.78	2.62		7.00
1963	5.23	6.58	1.35	10.40	3.82	13.30	2.90		8.07
1964	6.35	8.99	2.64	9.37	0.38	NA	NA		NA
1965	4.99	6.54	1.55	9.29	2.75	NA	NA		NA
1966	5.18	6.82	1.64	9.63	2.81	NA	NA		NA
1967	5.30	7.14	1.84	9.74	2.60	NA	NA		NA
1968	5.37	7.35	1.98	9.84	2.49	13.04	3.20		7.67
1969	5.15	7.66	2.51	10.20	2.54	13.22	3.02		8.07
1970	5.75	7.88	2.13	11.10	3.22	13.74	2.64		7.99
1971	6.05	8.19	2.14	11.67	3.48	14.46	2.79		8.41
1972	6.49	8.88	2.39	11.83	2.95	14.44	2.61		7.95
St. Louis, Mo.									
(via Gulf ports)									
Imported raw sugar									
1960	4.41	6.18	1.77	8.89	2.71	11.18	2.29		6.77
1961	4.44	6.48	2.04	8.80	2.32	11.18	2.38		6.74
1962	4.45	6.32	1.87	9.16	2.84	11.56	2.40		7.11
1963	4.67	6.58	1.91	10.40	3.82	12.94	2.54		8.27
1964	5.51	8.99	3.48	9.37	0.38	12.50	3.13		6.99
1965	4.76	6.54	1.78	9.29	2.75	11.72	2.43		6.96
1966	4.68	6.82	2.14	9.63	2.81	12.08	2.45		7.40
1967	4.81	7.14	2.33	9.74	2.60	12.10	2.36		7.29
1968	5.02	7.35	2.33	9.84	2.49	11.00	1.16		5.98
1969	5.14	7.66	2.52	10.20	2.54	10.34	0.14		5.20
1970	5.21	7.88	2.67	11.10	3.22	10.58	-0.52		5.37
1971	5.39	8.19	2.80	11.67	3.48	12.40	0.73		7.01
1972	5.72	8.88	3.16	11.83	2.95	13.08	1.25		7.36

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	: Farm : value <u>1/</u> :	: Raw : sugar	: Raw : sugar : mill : spread:	: sugar : Wholesale : price <u>2/</u> :	: Refiner : price	: Retail : price	: Retailers : and : distributors : spread 3/ :	: Total : spread
<u>Cents per pound</u>								
St. Louis, Mo.								
<u>Louisiana raw sugar</u>								
1960	4.73	6.18	1.45	8.89	2.71	11.18	2.29	6.47
1961	4.85	6.48	1.63	8.80	2.32	11.18	2.38	6.33
1962	4.78	6.32	1.54	9.16	2.84	11.56	2.40	6.78
1963	5.23	6.58	1.35	10.40	3.82	12.94	2.54	7.71
1964	6.35	8.99	2.64	9.37	0.38	12.50	3.13	6.15
1965	4.99	6.54	1.55	9.29	2.75	11.72	2.43	6.73
1966	5.18	6.82	1.64	9.63	2.81	12.08	2.45	6.90
1967	5.30	7.14	1.84	9.74	2.60	12.10	2.36	6.80
1968	5.37	7.35	1.98	9.84	2.49	11.00	1.16	5.63
1969	5.15	7.66	2.51	10.20	2.54	10.34	0.14	5.19
1970	5.75	7.88	2.13	11.10	3.22	10.58	-0.52	4.83
1971	6.05	8.19	2.14	11.67	3.48	12.40	0.73	6.35
1972	6.49	8.88	2.39	11.83	2.95	13.08	1.25	6.59
<u>Central region beet sugar</u>								
1960	4.84	--	--	8.84	4.00	11.18	2.34	6.34
1961	4.61	--	--	8.56	3.95	11.18	2.62	6.57
1962	4.90	--	--	8.97	4.07	11.56	2.59	6.66
1963	5.20	--	--	9.53	4.33	12.94	3.41	7.74
1964	5.27	--	--	9.03	3.76	12.50	3.47	7.23
1965	4.91	--	--	9.09	4.18	11.72	2.63	6.81
1966	5.11	--	--	9.41	4.30	12.08	2.67	6.97
1967	5.36	--	--	9.59	4.23	12.10	2.51	6.74
1968	5.57	--	--	9.83	4.26	11.00	1.17	5.43
1969	5.86	--	--	10.22	4.36	10.34	0.12	4.48
1970	6.04	--	--	11.08	5.04	10.58	-0.50	4.54
1971	6.58	--	--	11.63	5.05	12.40	0.77	5.82
1972	6.66	--	--	11.81	5.15	13.08	1.27	6.47

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar 2/	Raw sugar mill spread 3/	Wholesale price	Refiner price	Retail price	Retailers and distributors spread	Total spread
<hr/>								
				Cents per pound				
				Intermountain				
				Seattle, Wash.				
	Far West region beet sugar							
1960	4.94	--	--	8.80	3.86	12.02	3.22	7.08
1961	4.92	--	--	8.68	3.76	12.14	3.46	7.22
1962	5.19	--	--	8.96	3.77	12.60	3.64	7.41
1963	5.49	--	--	9.50	4.01	13.82	4.32	8.33
1964	5.38	--	--	9.26	3.88	NA	NA	NA
1965	5.09	--	--	9.24	4.15	NA	NA	NA
1966	5.32	--	--	9.38	4.06	NA	NA	NA
1967	5.47	--	--	9.92	4.45	NA	NA	NA
1968	4.25	--	--	10.14	5.89	12.68	2.54	8.43
1969	5.98	--	--	10.17	4.19	12.54	2.37	6.56
1970	6.28	--	--	11.05	4.77	12.84	1.79	6.56
1971	6.53	--	--	11.34	4.81	13.58	2.24	7.05
1972	6.28	--	--	11.67	5.39	13.74	2.07	7.46
	Hawaiian raw sugar							
1960	3.50	6.07	2.57	8.78	2.71	12.02	3.24	8.52
1961	3.50	5.99	2.49	8.69	2.70	12.14	3.45	8.64
1962	3.70	6.34	2.64	8.97	2.63	12.60	3.63	8.90
1963	4.50	7.78	3.28	9.84	2.06	13.82	3.98	9.32
1964	3.70	6.34	2.64	9.27	2.93	NA	NA	NA
1965	3.80	6.57	2.77	9.23	2.66	NA	NA	NA
1966	3.88	6.93	3.05	9.47	2.54	NA	NA	NA
1967	4.20	7.24	3.04	9.91	2.67	NA	NA	NA
1968	4.30	7.40	3.10	10.14	2.91	12.54	2.54	8.38
1969	4.20	7.25	3.05	10.16	2.91	12.54	2.38	8.34
1970	4.50	7.77	3.27	10.85	3.08	12.84	1.99	8.34
1971	4.40	7.98	3.58	11.34	3.36	13.58	2.24	9.18
1972	4.35	7.89	3.54	11.69	3.80	13.74	2.05	9.39

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72 --Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	and distributors spread 3/	Total spread
Cents per pound								
Pacific Coast								
Honolulu, Hawaii								
Hawaiian raw sugar								
1968	4.30	7.40	3.10	11.43	4.03	13.32	1.89	9.02
1969	4.20	7.25	3.05	11.37	4.12	13.52	2.15	9.32
1970	4.50	7.77	3.27	11.93	4.16	13.66	1.73	9.16
1971	4.40	7.98	3.58	12.22	4.24	14.44	2.22	10.04
1972	4.35	7.89	3.54	11.68	3.79	15.22	3.54	10.87
Los Angeles, Calif.								
Far West region beet sugar								
1960	4.94	--	--	8.98	4.04	12.18	3.20	7.24
1961	4.92	--	--	8.72	3.80	11.62	2.90	6.70
1962	5.19	--	--	9.11	3.92	10.88	1.77	5.69
1963	5.49	--	--	9.87	4.38	12.46	2.59	6.97
1964	5.38	--	--	10.83	5.45	12.00	1.17	6.62
1965	5.09	--	--	9.12	4.03	10.78	1.66	5.69
1966	5.32	--	--	9.53	4.21	11.18	1.65	5.86
1967	5.47	--	--	10.16	4.69	11.80	1.64	6.33
1968	4.25	--	--	10.36	6.11	11.76	1.40	7.51
1969	5.98	--	--	10.19	4.21	11.74	1.55	5.76
1970	6.28	--	--	11.09	4.81	12.34	1.25	6.06
1971	6.53	--	--	11.40	4.87	13.34	1.94	6.81
1972	6.28	--	--	11.68	5.40	13.84	2.16	7.56

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	Retailers and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Pacific Coast</u>								
<u>Hawaiian raw sugar</u>								
1960	3.50	6.07	2.57	8.97	2.90	12.18	3.21	8.68
1961	3.50	5.99	2.49	9.72	2.73	11.62	2.90	8.12
1962	3.70	6.34	2.64	9.10	2.76	10.88	1.78	7.18
1963	4.50	7.78	3.28	9.88	2.10	12.46	2.58	7.96
1964	3.70	6.34	2.64	9.55	3.21	12.00	2.45	8.30
1965	3.80	6.57	2.77	9.11	2.54	10.78	1.67	6.98
1966	3.88	6.93	4.03	9.55	2.62	11.18	1.63	7.30
1967	4.20	7.24	3.05	10.16	2.92	11.80	1.64	7.60
1968	4.30	7.40	3.10	10.39	2.99	11.76	1.37	7.46
1969	4.20	7.25	3.05	10.17	2.92	11.74	1.57	7.54
1970	4.50	7.77	3.27	10.85	3.08	12.34	1.49	7.84
1971	4.40	7.98	3.58	11.38	3.40	13.34	1.96	8.94
1972	4.35	7.89	3.54	11.69	3.80	13.84	2.15	9.49
<u>San Diego, Calif.</u>								
<u>Hawaiian raw sugar</u>								
1968	4.30	7.40	3.10	10.39	2.99	11.92	1.53	7.62
1969	4.20	7.25	3.05	10.17	2.92	11.84	1.67	7.65
1970	4.50	7.77	3.27	10.85	3.08	12.28	1.43	7.78
1971	4.40	7.98	3.58	11.38	3.40	13.46	2.08	9.06
1972	NA	NA	NA	11.69	NA	14.02	2.33	NA

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72 --Continued

Year	Farm value 1/	Raw sugar	Raw sugar mill spread	Wholesale price 2/	Refiner price	Retail price	Retailers and distributors spread 3/	Total spread
<u>Cents per pound</u>								
<u>Pacific Coast</u>								
<u>Far West region beet sugar</u>								
1968	4.25	--	--	10.36	6.11	11.92	1.56	7.67
1969	5.98	--	--	10.19	4.21	11.84	1.65	5.86
1970	6.28	--	--	11.09	4.81	12.28	1.19	6.00
1971	6.53	--	--	11.40	4.87	13.46	2.06	6.93
1972	6.28	--	--	11.68	5.40	14.02	2.34	7.74
<u>San Francisco - Oakland, Calif.</u>								
<u>Far West region beet sugar</u>								
1960	4.94	--	--	8.98	4.04	12.12	3.14	7.18
1961	4.92	--	--	8.72	3.80	11.70	2.98	6.78
1962	5.19	--	--	9.11	3.92	11.60	2.49	6.41
1963	5.49	--	--	9.87	4.38	13.30	3.43	7.81
1964	5.38	--	--	10.83	5.45	12.84	2.01	7.46
1965	5.09	--	--	9.12	4.03	11.40	2.28	6.31
1966	5.32	--	--	9.53	4.21	11.44	1.91	6.12
1967	5.47	--	--	10.16	4.69	11.62	1.46	6.15
1968	4.25	--	--	10.36	6.11	12.28	1.92	8.03
1969	5.98	--	--	10.19	4.21	12.32	2.13	6.34
1970	6.28	--	--	11.09	4.81	12.58	1.49	6.30
1971	6.53	--	--	11.40	4.87	13.60	2.20	7.07
1972	6.28	--	--	11.68	5.40	14.12	2.44	7.84

See footnotes at end of table.

Continued

Table 10 --Farm-to-retail spreads for refined sugar, selected cities
by principal points of origin, 1960-72--Continued

Year	: Farm : :value 1/:	: Raw : :sugar :	: Raw : :sugar : :mill :	: Wholesale : :price 2/:	: Refiner : :price :	: Retail : :price :	: Retailers : :and : :distributors:	: Total : :spread :
			: spread:				: spread 3/ :	
				<u>Cents per pound</u>				
				<u>Pacific Coast</u>				
				<u>Hawaiian raw sugar</u>				
1960	3.50	6.07	2.57	8.97	2.90	12.12	3.15	8.62
1961	3.50	5.99	2.49	8.72	2.73	11.70	2.98	8.20
1962	3.70	6.34	2.64	9.10	2.76	11.60	2.50	7.90
1963	4.50	7.78	3.28	9.38	2.10	13.30	3.42	8.80
1964	3.70	6.34	2.64	9.55	3.21	12.84	3.29	9.14
1965	3.80	6.57	2.77	9.11	2.54	11.40	2.29	7.60
1966	3.88	6.93	3.05	9.55	2.62	11.44	1.89	7.56
1967	4.20	7.24	3.04	10.16	2.92	11.62	1.46	7.42
1968	4.30	7.40	3.10	10.39	2.99	12.28	1.89	7.98
1969	4.20	7.25	3.05	10.17	2.92	12.32	2.15	8.12
1970	4.50	7.77	3.27	10.85	3.08	12.58	1.73	8.08
1971	4.40	7.98	3.58	11.38	3.40	13.60	2.22	9.20
1972	4.35	7.89	3.54	11.69	3.80	14.12	2.43	9.77

-- = Not applicable.

1/ The farm value of sugar in Puerto Rico is used as a proxy for the farm value of imported sugar which is unknown.

2/ These are basing-point offers of sugar distributors. Delivered prices may differ appreciably from these figures.

3/ Those cities indicating negative or very small retailers' and distributors' marketing spreads reflect additional unannounced discounts and allowances and possible use of sugar as a lost leader.

Table 11--Percent change in retail prices of sugar and other selected food items, 1960-72

Item	Retail price			Percent change 1960-72
	1960	1972	2nd quarter 1973 1/	
	- - - Cents - - -			Percent
Sugar (1 pound).....	11.4	13.9	14.6	22.0
Fluid milk, fresh (½ gallon)....	48.3	59.8	62.6	23.8
Margarine (1 pound).....	25.3	33.1	34.2	30.8
Flour, white (5 pounds)	54.0	59.6	68.8	10.4
Bread, white (1-pound loaf).....	19.5	24.7	26.2	26.7
Beef, choice grade (per pound)...	80.2	113.8	135.8	41.9
Eggs, grade A large (dozen).....	56.6	52.4	69.0	-7.4
Potatoes, fresh white (10 pounds).....	68.7	92.6	141.2	34.8
Fresh fruit, oranges (dozen)....	73.8	94.2	102.1	27.6
Canned peas (no. 303 can).....	20.7	26.4	26.8	27.5
Market basket of farm foods.....	991.0	1,310.82	1,497.05	32.3

1/ Preliminary.

Source: Marketing and Transportation Situation, Econ. Res. Serv., U.S. Dept. of Agr., various issues.

Table 12--Farmer's share of consumer dollar, selected food items, 1960-72

Item	Farmer's share of consumer dollar		
	1960	1972	2nd quarter 1/ 1973
	Cents		
Sugar.....	36	42	43
Fresh fluid milk.....	46	51	52
Margarine.....	27	27	39
Flour, white.....	33	38	42
Bread, white 2/.....	12	12	14
Beef, choice grade.....	65	64	68
Eggs, grade A large.....	66	57	67
Potatoes, fresh white.....	35	27	36
Fresh fruit, oranges.....	36	22	21
Canned peas.....	14	15	15
Market basket of farm foods.....	39	40	44

1/ Preliminary.

2/ Grain share only.

Adapted from Marketing and Transportation Situation, various issues, Econ. Res. Serv., U.S. Dept. of Agr.

assembling, and milling sugarcane and the charges for storing and handling raw cane sugar and sugarcane byproducts. The farmer raw sugar mill spread was estimated for sugar produced in Hawaii, Puerto Rico, Florida, and Louisiana. This type of information is not published in Market Basket Statistics and is presented here as a supplement to information in table 9.

Raw cane sugar prices are quoted for New York and New Orleans. The New York raw sugar price is reported as the spot price of domestic raw cane sugar or the duty-paid price for imported sugar. The import duty has been 0.625 cent per pound during 1969-72. Raw sugar sold at New Orleans is approximately 3 cents per 100 pounds lower than the quoted New York price. This difference is determined largely by the savings on ocean freight from most offshore producing areas as compared with New York. Because of the integrated marketing organization for Hawaiian sugar, raw cane sugar price quotations for the West Coast are not available. The 1972 duty-paid raw cane sugar price at New York of 9.09 cents per pound was 44 percent above the 1960 quotation.

The raw sugar mill spread for each domestic producing area increased between 1960 and 1972. This increase ranged from 1.42 cents per pound for Florida to 1.01 cents per pound for Hawaii (1971) (table 10). These changes in the raw sugar mill spread occurred at a time when increases in the farm value for domestic sugar averaged 27 percent and raw sugar prices at New York increased 44 percent. The raw sugar mill spread for sugar produced in Puerto Rico and Florida increased 71 percent over 1960-72, compared with an increase of 65 percent for Louisiana sugar and 39 percent for Hawaiian sugar.

Refiner Spread for Cane Sugar Rises

The refiner spread is determined by subtracting the raw cane sugar price from the refined sugar wholesale price quotation. The spread covers the cost of refining, storing, packaging, shipment preparation, transportation, and profits.

An important feature of the sugar marketing systems is that, frequently, the wholesale price quotations do not represent the cost of sugar delivered to the buyers. The estimated wholesale price quotations for cane sugar increased an average of only 3.08 cents from 1960-72. These increases ranged from a low of 2.72 cents per pound in the Pacific Coast sales territory to 3.73 cents in the Northeast sales territory. Wholesale cane sugar quotations have consistently been higher and have shown less fluctuation during 1960-72 in the Northeast than in other sales territories. Beet sugar price quotations varied from a low of 2.7 cents per pound in the Pacific Coast sales territory to a high of 3.16 cents in the Southwest sales territory.

During 1960-72, the cane sugar refiner spread increased in most cities except Kansas City, Mo. The largest increase (1.03 cents per pound) occurred in Cincinnati, followed by an increase of 0.94 cent per pound in most of the other cities in the Northeast reporting wholesale sugar prices. The smallest increase (0.15 cent per pound) occurred in Chicago. Estimated increases in the refiner spread in other areas varied from a low of 0.30 cent per pound in the Southwest to 0.64 cent per pound in the Southeast. The refiner spread increased 0.65 cent per pound in the Intermountain region, while on the

Pacific Coast, the increase was 0.50 cent per pound. The unusual situation in Kansas City appears to be the result of a combination of a substantial increase in the reported price of raw sugars produced or processed in Louisiana and a small increase in the estimated wholesale price in the Chicago-West sales territory.

Farmer-Processor Spread for Sugarbeets Rises

Growers sell sugarbeets to processors where they are processed into beet sugar in a single operation. The farmer-processor spread covers marketing costs and agricultural services (fieldmen and other miscellaneous services) in addition to the usual procurement, processing, and storage costs. Thus, this portion of the total marketing spread for beet sugar is estimated by subtracting the farm value for sugarbeets from the wholesale price quotation.

The farm-to-processor spread for beet sugar increased in all sales territories during 1960-72 (table 10). The largest increase (1.62 cents per pound) occurred for sugar sold in cities in the Northeast region, mostly located on the Buffalo-Pittsburgh line. The lowest increase, 0.89 cent per pound, occurred for that sold in Milwaukee.

The farm-to-processor spread was 0.24 cent per pound less during 1960-72 when beet sugar was shipped to Chicago rather than to cities in the Northeast. The beet sugar spread in the Far West was greater when beet sugar was sold in the Intermountain region than in the larger cities on the Pacific Coast during 1960-72.

Retail and Distribution Spread Declines

The retail and distribution spread is determined by subtracting the wholesale price quotation from the retail price (table 10).

Average retail prices for a 5-pound bag of refined sugar sold in food stores are published by the Bureau of Labor Statistics of the U.S. Department of Labor. Table 13 indicates that between 1960-72, retail prices of refined sugar increased in those cities where complete information is available. The U.S. average retail price of sugar increased 22 percent from 1960 (11.6 cents) to 1972 (13.9 cents). The largest increase, 3.42 cents per pound occurred in Washington, while the smallest, 1.26 cents per pound, was in Pittsburgh. Three of the five cities with the largest price increases were in the Northeast sales territory. Other large price increases occurred in Houston, Chicago, and Minneapolis-St. Paul.

During 1960-72, the retail and distribution spread declined in most of the cities for which complete information is available (table 10). The amount of change varied widely among areas and cities within areas. In the Northeast, the largest decrease in the spread occurred at Pittsburgh where both cane sugar and beet sugar retail spreads decreased substantially. Another large decrease was in Detroit, where both cane sugar and beet sugar retail spreads decreased substantially. The smallest change occurred in New York.

The retail spread in the Chicago-West area fluctuated more between 1960-72 than in most other areas. In Chicago, it increased 0.16 cent per pound for cane sugar and 0.26 cent per pound for beet sugar. In other cities in the sales territory, the change in the spread varied from a decrease of 1.07 cents per pound for beet sugar in St. Louis to a decrease of 0.30 cent per pound for cane sugar in Kansas City. The very small (those less than a cent per pound) and sometimes negative retail price spreads at St. Louis and other cities seem to be the result of lower actual wholesale prices than indicated by the quotations or loss leaders.

During 1960-72, the retail spread on the Pacific Coast ranged from a high of 1.04 cents per pound for beet sugar at Los Angeles to a low of 0.72 cent per pound for cane sugar at San Francisco.

Total Marketing Spread Increases

The total marketing spread--the difference between the farm value and the retail price for a pound of sugar--increased in most areas during 1960-72. In the Northeast region, the spread increased in most of the cities, with the largest increase (2.11 cents per pound) at Washington and the smallest increase (0.12 cent per pound) at Detroit (table 10). However, small decreases occurred in the cane sugar total margin at Detroit (0.05 cent per pound) and in the beet sugar total margin (0.17 cent per pound) at Pittsburgh.

In the Chicago-West region, the increase in the total margin for cane sugar was 1.79 cents per pound. For beet sugar, the increase ranged from 1.76 cents per pound for Far West region beet sugar sold at Chicago to 0.38 cent per pound for Central region beet sugar sold at Kansas City. Very little change was noticed in the total margin for Central region beet sugar and Louisiana cane sugar sold at St. Louis.

Total marketing spread for cane sugar sold on the Pacific Coast increased as much as 0.58 cent per pound between 1960 and 1972, while total marketing spreads for beet sugar increased as much as 0.66 cent per pound.

Total marketing spreads for sugar sold in selected cities in 1960 and 1972 are shown in figure 5.

Table 13--Retail prices of refined sugar by sales territory and city, 1960-72

Territory and city	Refined sugar price		Price change
	1960	1972	
	<u>Cents per pound</u>		
Northeast:			
Baltimore, Md.	11.60	14.32	2.72
Boston, Mass.	11.34	13.88	2.54
Buffalo, N.Y.	NA	14.08	NA
Cincinnati, Ohio.....	11.78	13.94	2.16
Cleveland, Ohio.....	12.08	14.26	2.18
Detroit, Mich.	11.56	13.70	2.14
New York, N. Y., and northern New Jersey...	11.06	14.08	3.02
Philadelphia, Pa.	11.34	13.90	2.56
Pittsburgh, Pa.	12.18	13.44	1.26
Scranton, Pa.		NA	NA
Washington, D.C.	11.54	14.98	3.42
Southeast:			
Atlanta, Ga.	11.40	13.92	2.52
Southwest:			
Dallas, Tex.	NA	13.50	NA
Houston, Tex.	10.52	13.62	3.10
Chicago-West:			
Chicago, Ill., and northern Indiana.....	11.30	14.40	3.10
Kansas City, Mo.	11.26	13.46	2.20
Milwaukee, Wis.	NA	14.16	NA
Minneapolis-St. Paul, Minn.	11.78	14.44	2.66
St. Louis, Mo.	11.18	13.08	1.90
Intermountain Northwest:			
Portland, Oreg.	13.02	NA	NA
Seattle, Wash.	12.02	13.74	1.72
Pacific Coast:			
Honolulu, Hawaii.....	NA	15.22	NA
Los Angeles, Calif.	12.18	13.84	1.66
San Diego, Calif.	NA	14.02	NA
San Francisco, Calif.	12.12	14.12	2.00
United States.....	11.60	13.90	2.30

NA = Not available.

Estimated retail food prices by cities, annual averages, U.S. Dept. of Labor, Bur. of Labor Statis., Washington, D.C.

MARKETING SPREADS FOR SUGAR IN SELECTED CITIES

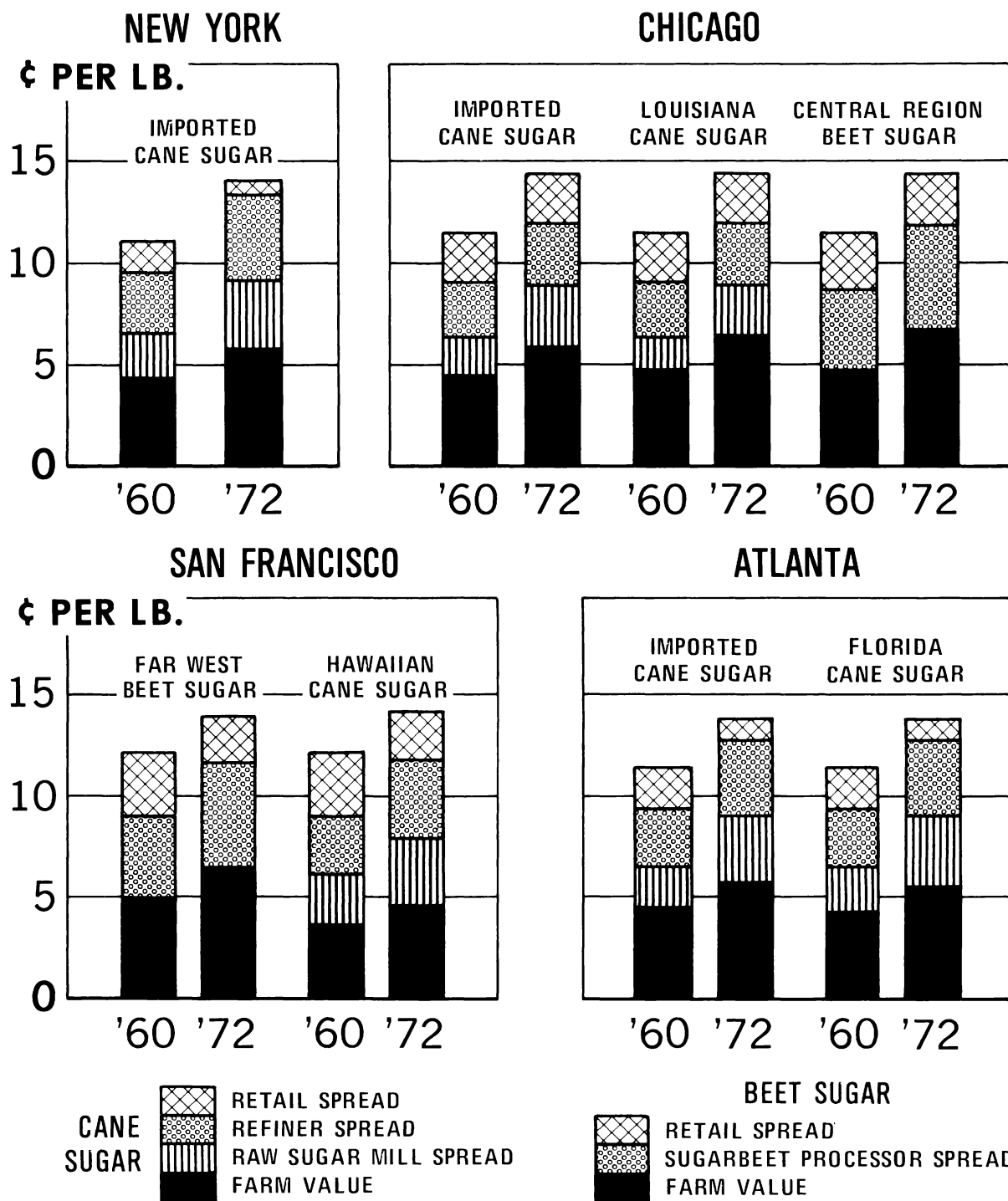


Figure 5